

## SENATE—Tuesday, June 8, 1982

The Senate met at 12 noon, and was called to order by the Honorable SLADE GORTON, a Senator from the State of Washington.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

*\*\*\* for out of Zion shall go forth the law, and the word of the Lord from Jerusalem. And He shall judge among the nations, and shall rebuke many people; and they shall beat their swords into plowshares and their spears into pruninghooks: nation shall not lift up sword against nation, neither shall they learn war any more. O house of Jacob, come ye, and let us walk in the light of the Lord.—Isaiah 2: 3-5 KJV*

God of Abraham, Isaac, Ishmael, and Jacob, Lord of all peoples, hasten the day when these words of Isaiah shall come to pass. Grant restraint to the leaders of Israel, Lebanon, Syria, and Palestine, and to the Governments of England and Argentina. Give us the will to peace. Make us wise to the incalculable waste, destructiveness and futility of war. Gracious God, help our leaders and those of all nations to make peace and not war. Help us all to understand that Thy purpose for history is to unite all things in Christ and grant us the grace to submit to Thy will. In the name of Him who is the Prince of Peace. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., June 8, 1982.

To the Senate:

Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SLADE GORTON, a Senator from the State of Washington, to perform the duties of the Chair.  
STROM THURMOND,  
President pro tempore.

Mr. GORTON thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

## ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, I understand under the order previously entered, the reading of the Journal has been dispensed with, no resolutions coming over under the rule, and the call of the calendar has been dispensed with; is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. STEVENS. Mr. President, following the time of the two leaders, it is my understanding there will be a period for the transaction of routine morning business for 30 minutes with Senators permitted to speak therein for not to exceed 5 minutes each.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. STEVENS. Mr. President, I intend to yield the time of the leadership on this side to my good friend on my right, Senator HELMS.

## LEGISLATIVE PROGRAM FOR THE REMAINDER OF THE WEEK

Prior to that, let me state that in accordance with the statement made by the majority leader there will be no votes on substantive issues today. We do not anticipate any votes, but procedural votes might occur that might be required; we do anticipate votes both tomorrow and on Thursday, and would intend to be in Friday, if necessary. But we will not plan a long session on Friday because it is my intention to urge all Senators to go to Andrews Air Force Base to greet the President on his return on Friday afternoon. That will necessitate that we recess the Senate early, if we do come in on Friday at all. But we do have the intention to move tomorrow to proceed with the Voting Rights Act. We also have the bail reform bill, the agent identities conference report, we hope we will be able to work out an agreement to take those up, and then proceed with the voting rights bill early tomorrow afternoon and early Thursday afternoon.

It will be the intention of the leadership to have a session of the Senate next Monday also, I might say. But Friday is the one that is in question right now.

I yield the remainder of the leadership time on this side to Senator HELMS.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank my friend, the distinguished acting majority leader, and I thank the Chair for recognizing me.

## AMBASSADOR KIRKPATRICK ON "MEET THE PRESS"

Mr. HELMS. Mr. President, I wish not to offend the distinguished chairman of the Senate Foreign Relations Committee (Mr. PERCY) nor do I desire to be unduly critical of him. But I am obliged to observe that Senator PERCY perhaps will acknowledge now that he overspoke himself during the weekend in his criticism of the U.S. Ambassador to the United Nations.

The truth is, Mr. President, that Ambassador Jeane Kirkpatrick has been almost unique in the administration in pleading for a calm and rational U.S. posture concerning the tragic war in the South Atlantic between Great Britain and Argentina, a most regrettable war between two friends and allies of the United States; a war that need never have happened; a war that probably would not have happened if the administration had been more attentive to Ambassador Kirkpatrick's sound judgment.

Mr. President, Ambassador Kirkpatrick appeared on NBC's "Meet the Press" program this past Sunday at a moment of particular tension for the United States at the U.N. Security Council.

In the early evening of June 4, this past Friday, Ambassador Kirkpatrick, acting under specific instructions from Secretary of State Alexander Haig, cast a veto on a resolution calling for a cease-fire in the South Atlantic. Moments later, in response to a last-minute change in instructions ordered by Secretary Haig, Mrs. Kirkpatrick then announced that if the United States could change its vote the United States would abstain.

Ambassador Kirkpatrick, when the media asked about this confusion created by the Secretary of State, was understandably embarrassed—anybody would have been. Indeed, I think the whole Nation must have been embarrassed, for the United States emerged from this latest Haig fiasco with the worst possible results from the viewpoint of both Great Britain and Argentina.

While the belated policy switch was, in fact, a switch to the correct position, it was, sad to say, a switch that came just minutes too late to preserve the interests of the United States.

It is, therefore, an irony, Mr. President, that the policy, which came too late for Ambassador Kirkpatrick to implement properly, was the policy she had been urging all week long.

The intransigence of Secretary Haig on this issue is perplexing, particularly

in view of mounting evidence of the failure of his policy in the South Atlantic war.

Every day we are hearing new reports of the increasing alienation of all of Latin America from the United States, particularly as there is evidence of mounting shipments of U.S. weaponry to Great Britain to kill Argentine soldiers.

Mr. President, Secretary Haig has failed to prevent increasing levels of military force by the British. He has failed to act as an impartial mediator, he has failed to prevent NATO ships and planes from going to the bottom of the South Atlantic, and he has failed to preserve the unity of the West which is so essential to the security of freedom.

Secretary Haig has not only failed to forge strong ties with the anti-Communist nations of South and Central America, but he has also undermined the foundations of NATO which ostensibly he said he was protecting.

Mr. President, it is in this context that I genuinely regretted a statement attributed by the media to my friend, Senator PERCY, over the weekend, in which Senator PERCY reportedly commented that Ambassador Kirkpatrick "does a tremendous disservice and I think she misled the Argentines by buttering them up, by going to their parties and allowing parties in her honor to be given."

Mr. President, I regard Senator PERCY, who is my friend, as a fair man who would not intentionally misrepresent the facts concerning Ambassador Kirkpatrick or anyone else. And that is why I now suggest to him that he request Mrs. Kirkpatrick to appear before the Senate Foreign Relations Committee to ascertain whether his statement regarding Mrs. Kirkpatrick was fair and accurate criticism. I believe it was not.

I believe Senator PERCY will find that she was instructed—instructed—to represent the United States at the functions which Senator PERCY views with such disdain. I think it is only fair, Mr. President, that Senator PERCY, in his capacity as the chairman of the Foreign Relations Committee, make it a matter of record about what other top officials of the United States Government also attended the functions to which he alluded.

I believe, Mr. President, when all of the facts are ascertained, Senator PERCY will apologize to Ambassador Kirkpatrick. And, with all due respect to the Senator, I feel that he owes her an apology.

Mr. President, the United States is fortunate to have as a member of the President's Cabinet an acknowledged expert on Latin America, and particularly Argentina. And that expert is not Secretary Haig, but Ambassador Kirkpatrick. Her reputation as a scholar on Argentina has long been established.

Her counsel that we would best protect U.S. interests by abstaining on the Security Council resolution obviously was a wise one.

Mr. President, I would mention that on May 27 I called upon President Reagan to insist on a cease-fire between the two belligerent nations. It is not in our interest to choose between them. It is in our interest to bring them together to the negotiation table, no matter what the injury seen by each side. If our policy to oppose a cease-fire had been allowed to stand, the repercussions would have been devastating to the future of hemispheric security.

In the end, Ambassador Kirkpatrick's policy triumphed, but too late to have any practical effect on the United Nations vote. All we can now hope is that the high profile given to the policy change by Secretary Haig's curious judgment will make it clear to all nations that we have not given Great Britain a blank check.

One result, however, is clear. That is the dignity and restraint with which Ambassador Kirkpatrick handled herself, adding greatly to her stature. The graciousness with which she handled the inevitable questions about the policy switch contrast greatly with the less than gracious remarks of Secretary Haig concerning both President Reagan and Ambassador Kirkpatrick. It also contrasts greatly with remarks attributed to our colleague, Senator PERCY, the chairman of the Foreign Relations Committee.

Mr. President, Ambassador Kirkpatrick's presentation on "Meet the Press" amply fulfilled the expectations of those who admire her sincerity and skill, and I therefore ask unanimous consent that a transcript of that interview be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

VERBATIM TEXT OF "MEET THE PRESS"  
INTERVIEW WITH JEANE KIRKPATRICK

Question. The cause was the attempted assassination of the Israeli Ambassador in London. The effect, so far at least, is about 230 dead in Lebanon and what seems to be an Israeli invasion of Lebanon. Has Israel overreacted, has it gone too far, and what should be done about it?

Answer. Quite frankly, I wouldn't state the proposition that way. I don't think, in fact, that the cause of the current violence in Lebanon was simply the attempted assassination of the Israeli Ambassador to London. I think that was one incident in an ongoing cycle of violence that has included in recent days continuing shelling by the PLO into Israel with Soviet-supplied Katyusha rockets doing a great deal of damage, in fact.

Question. Prime Minister Begin has said this raid is in retaliation for that shooting. Again, have they overreacted, are they going too far, is there a potential here for a major war involving Israel, Syria?

Answer. I think we believe there is an ongoing cycle of violence in Lebanon and Israel and that border area which has been

underway for quite some time in which parties have reacted to each other, and reacted violently to each other. And at every moment there is a possibility for escalation, and unfortunately too often that possibility of escalation becomes an actuality. And is there a danger of escalation and expansion and spreading war—yes, I think the situation is extremely dangerous. And we are taking it very, very seriously, let me say.

Question. What are we doing about it?

Answer. Well, one thing we're doing about it is that the President and Secretary Haig have just met in Europe with Ambassador Philip Habib to discuss his mission. He was, as you know, enroute in a rather more leisurely fashion to that area to look in—to try to deal more effectively with the Lebanese. Now they've had rather detailed conversations this morning. They're very good conversations and Ambassador Habib will be going on to Israel.

Q. Is your response [to earlier question] as to whether the Israelis have overreacted, is it that under the circumstances, in your judgment, they have not?

A. No, I think my answer to the question is that I don't quite know how one measures, in fact, the interaction of violence and violence in a situation like that spiral of hostility that has existed for so long now in the Middle East. That includes firing of rockets by the PLO into Israel, that includes assassinations, that includes bombings by the Israelis of PLO strongholds. I just don't know, but it's very useful even to try to characterize it as over or under or just right. I don't know what the unit of measurement would be, frankly.

Q. Defense Minister Sharon of Israel has said several times that he looks upon initial invasion of Lebanon or holding the territory, driving the PLO into Syria with the eventual overthrow of King Hussein and the takeover of Jordan as the Palestinians State while Israel holds on to the West Bank as the solution. Are we seeing the first stage of what is really a rather mammoth overthrow of different groups and even perhaps governments in the Middle East?

A. I certainly don't think so. I don't see any reason to believe that that's the case. That's not at all my understanding of Israel's policy. My understanding of Israel's policy is in fact that they have no territorial ambitions whatsoever as regards Lebanon, and that they, like we in fact, would like very much to see an independent sovereign Lebanon with whom they could live in peace.

Q. I have been told by the State Department that actually during the ceasefire period there were no major infractions by the Palestine Liberation Organization—in fact that they were being very careful. I was told this just last week. So, doesn't this put a little bit of a different complexion on the entire thing?

A. I think it depends a little on which part of the State Department you talked to, perhaps, I don't know. The fact is that we have been aware in the State Department and in the U.S. Government of continuing violations of the ceasefire. We have never said the ceasefire has broken down. We've said that there have been violations and threats to the ceasefire. If you mean shellings, incidents of shellings, across the Lebanese border into Israel, certainly we've been aware of those. And by the way, the Israeli Government has brought those to the attention of the Security Council at the United Nations repeatedly. There have been other violations of the ceasefire from other



quarters, and we have tried very hard in conjunction with all other parties to this conflict to try to contain and stop those ceasefire violations as they occur. But everybody is aware of those, I think.

Q. I know the United States Government likes not to point the finger of blame at either side in this, but to refer to a cycle of violence. The fact is that the Security Council yesterday voted 15-0 for a ceasefire urging both sides to observe the ceasefire. This morning we're hearing about Israeli tanks going as far north as Tyre on the Mediterranean coast. What will the United States do, and what will the Council do? Will it hold Israel responsible for ignoring that resolution?

A. May I say that I can only tell you what my best understanding of the military situation is there. It's a very rapidly changing military situation, as you know. My understanding truly is that the PLO also continued heavy shelling into Israel—several hundred rounds of shelling into Israel in that period after the ceasefire was called for by the Security Council. My understanding is that the ceasefire—that the restoration of the ceasefire or the end of—we don't believe the ceasefire broke down precisely. We would say that these episodes of violation of the ceasefire seem not to have ceased after the passage of the Security Council resolution, and they seem not to have ceased on either side. Therefore, it would obviously not be reasonable or balanced or fair to simply point a finger of blame to one side for not having honored that Security Council resolution when, in fact, apparently both sides were not responding to the resolution.

Q. Do you regard, then, the Israeli movement of its tanks and troops into Lebanon as a commensurate response to the shelling, that this is an evenhanded—

A. Frankly, truly I don't know where the Israeli tanks are. I heard this morning that there had been some movement across the border. But I think that the movement of tanks across the border and heavy shelling into a country are not so qualitatively different, are they? I mean those are both major acts of violence, and once again I don't know exactly what the unit of measurement would be.

Q. We've just heard the Israeli Ambassador say that the government's goal is to move the Palestinians beyond artillery range from the northern Israeli border. That apparently will be done by Israeli troops. How long should they stay there?

A. Well, I think if it is true, and let me reiterate that I am not an expert from the military situation on the ground or in the air, in that area. If it is true, as I understand it to be the case, that the PLO has been shelling Israel—heavy shelling of Israel—from impositions inside Lebanon, then it would not be unreasonable for Israel to exercise its rights under—or to claim to seek to exercise its rights under article 51 of the United Nations Charter which provides for national self-defense. That would not be an unreasonable move. I don't know whether that's in fact the case.

Q. We keep hearing that the Argentine garrison near Port Stanley is getting squeezed down tighter and tighter, that the British are standing around waiting to do something, or waiting for General Menendez to declare a victory and ask the British for a ride home. Do you have any indications that anything like that is more probable than a final British assault?

A. No, I don't.

Q. Ten years ago almost, Anwar Sadat started a war over a territory that was tradi-

tionally Egyptian, lost most of the territory that he invaded, and now the Sinai is in Egyptian hands. Is there a parallel here, is that a foreseeable outcome of the Falkland Islands crisis?

A. I don't know. I don't think we can say at this point. I think it's complicated enough to talk about the present of the Falklands, than to try now to project the future. At a time that the British, for example, are saying different things about the future of the Falklands, maybe unofficially what I read in the newspapers, than they were a few weeks ago. It strikes me this is a very bad time to try to project that.

Q. If you can project a British victory either through surrender or through frontal assault, what does that do to the triumvirate of generals and admirals who is now running Argentina and do you—

A. Actually, I think one has to be cautious in talking about victory in this war, I think one has to be cautious talking about the end of the war. I think it's easy enough to imagine British repossession of the Falklands. I said yesterday, in fact, in a statement at the Security Council that the Argentine possession of the Falklands by force was the end of phase 1 of the current conflict. Probably, I guess if there's a military solution here to this question that British repossession will be the end of phase 2, but that only brings us to phase 3. I don't think we know what will happen then; I think we must be very clear that the British repossession of the islands doesn't necessarily mean the end of this war.

Q. Do you see phase 3 as more likely to be diplomatic or military?

A. I think it might very well be military as well as diplomatic. It could be either in my opinion.

Q. The feud between you and Secretary of State Haig seems to be approaching near legendary proportions. The latest installment came last Friday night when first you joined Britain in vetoing a Falklands ceasefire resolution, and then you were told by Haig through intermediaries, I presume, to change that to an abstention. Do you and Al Haig talk to each other? I mean, can you be candid about this feud and what it could mean or does mean for American foreign policy?

A. Why don't I just try to answer those questions one—analyze your question into parts. Do we talk to each other—yes. We have in fact, we spoke to each other twice from Paris through Washington during the 24 hour period before that vote, in fact. That's one very simple answer to your question, and we in those two conversations planned a cooperative action to looking toward the achievement of the goals of U.S. policy. He was going to do some things, and I was going to do some complementary things, and we each did them in the hope of achieving our goal. We talk to each other, we work together.

Q. But do you work together willingly? Last week Newsweek, for example, quoted Haig as saying about you that you were mentally and emotionally incapable of thinking clearly on the issue—Falklands—because of your close links with the Latins, and also quoted you are saying about Haig that he and his aides are amateurs, Brits in American clothes, totally insensitive to Latin cultures. Is that an accurate measure of your relationship—

A. I couldn't passively comment on the accuracy of the quotation from General Haig. But I could comment on the accuracy of the one for my own—I did not say that. That is not correct as stated, I can tell you that.

Q. But is there bad chemistry between you two? Is that a problem?

A. I think that we have an idealistic conception in America. We succumb all the time to idealistic conceptions of reality. You know, women for example, were always falling for the ideal of the perfectly kept house. In marriage we're always falling for the ideal of the perfectly harmonious marriage, in which everybody is sweet and loving and considerate of each other all the time. And in government we postulate the model of the perfectly harmonious government. Now, in reality those don't exist, of course. In reality, even friends and certainly spouses and certainly people who work together in governments from time to time disagree. Governments are made up of people with strong views and strong feeling and from time to time they disagree. And they disagree seriously. I don't think one could have a good government in which everyone agreed with everybody about everything. The problem occurs when disagreements about policy leak into the press as disagreements among people. I sometimes say we have a kind of a movie magazine approach to the discussion of policy differences in government in which everything gets personalized. I don't think there's any serious problem here, no. I think Secretary Haig and I do work together, can work together, and furthermore if I may say so, the President expects us to work together.

Q. In what other words, did you say or do you feel that Mr. Haig is inadequately sensitive to Latin American needs and culture?

A. I don't think I said it. Let me just say for the record that I think Secretary Haig did a very serious job of mediating that dispute. I think his effort was a colossal difficulty, and he undertook it with great energy and imagination, and I believe today that most parties to the dispute probably think the world would be a great deal better off and they would be had they accepted the proposals that he made then. I think that's about all I'm going to say about that.

Q. Yesterday at the U.N. in a rather startling act, at the last moment you were handed a note, as we have gotten the report, to abstain from the call to the ceasefire instead of to veto it. How do you explain that, and how do you explain the fact that Secretary Haig did not contact you directly on that?

A. It's true, I had instructions to vote "no" on that resolution. I'd had those instructions for several hours. The decision was made to check once more with Secretary Haig, and—it's not easy, let me say to try to carry on discussions and make decisions when you are separated by several thousands of miles. One good reason that I wasn't in direct contact with Secretary Haig at the time that he was changing his mind about how we ought to vote was that I was sitting at the table in the Security Council, and that's where I needed to be, let me say. I had my aides on telephones with an open wire to the State Department, which had an open wire to Secretary Haig. And when the instruction came through that we should abstain rather than vote "no," unfortunately it came through about 3-to-5 minutes too late, and in the United Nations, of course, you can't change your vote. So I was instructed to vote "No," then I was instructed to abstain. When I explained you couldn't change a vote, then I was instructed to explain that if we could change our vote we would abstain. I did all those things. I acted as an instructed representative throughout.

Q. From Paris, Secretary Haig, when he was asked why he had not contacted you directly but had gone through various State Department channels said—and I quote—“You don’t talk to a company commander when you have a corps in between”—unquote. And I wonder, do you consider yourself a company commander?

A. To tell you the truth, I don’t know anything about company commanders. I don’t know really much about military rank and military titles, and I don’t even care much about military rank and military titles. I think that those may be more meaningful to Secretary Haig who is, after all, a general, than they are to me who am a professor in my ordinary life. Armies are very hierarchical, and universities are very informal egalitarian places which don’t attach much importance to titles. I can only say that I had spoken in the previous 24 hours twice to Secretary Haig on the telephone from Paris at his initiative. I don’t know what that means about corps commanders or anything else.

Q. Some conservatives are saying that President Reagan’s foreign policy has been captured by the liberal traditional pragmatic conventional foreign policy apparatus, that the career bureaucrats have taken over. Do you share that sense, do you think the President has done whatever it is he’s going to do in changing the direction of American foreign policy?

A. I think that the direction of American foreign policy is in continuous process of evolution. I don’t expect any sharp changes, and may I say I never expected any sharp changes. I think the President is taking an ever more active personal role in the direction of our foreign policy, and in all aspects of our foreign policy, by the way, and I believe that in the coming months his personal stance on our foreign policy will become evermore clear.

Q. Argentina’s going through a rather traumatic period right now, and you’re quite familiar with that part of the world and the people who live there and the relationships between our country and the various Latin American countries. What is this South Atlantic crisis going to do to shape Argentina perhaps somewhat differently, and how is it going to reflect on the way we get along with those various countries?

A. I think whatever happens in the Falklands, it’s going to become in Argentine history one of the major events in their national life, probably the equivalent to the fall of Peron or something, or maybe the rise of Peron—anyway, a great national event. I have no doubts that it will shape, it will have lasting influence on them. I fear that it may encourage them to see virtue in building great military strength. I know that it has already persuaded them of the importance of focusing more of their efforts on closer relationships within South America. Their role within South America, I think, will surely be more emphasized as a consequence of it. I think that right now there is some evidence that there may be a sharper sense of Latin nationalism generally through Latin America, right now it looks as though it may be in juxtaposition, or even in opposition to us. I hope we can overcome that problem.

Q. How could we go about that?

A. Well, I think by doing a lot of consulting, a lot of listening, and a lot of finding constructive common activities in which to engage together. That is all the countries of Latin America and us.

Mr. HELMS. I thank the Chair and I yield the floor.

#### FOREIGN POLICY OF UNITED STATES IS THE RESPONSIBILITY OF THE PRESIDENT AND THE SECRETARY OF STATE

● Mr. PERCY. Mr. President, the senior Senator from North Carolina (Mr. HELMS) has made a number of comments on the floor today which reflect on the good judgment of Secretary Haig in dealing with Western Hemisphere problems and particularly with the unprovoked aggression of Argentina in the Falkland Islands. I would like to reply, because I strongly disagree with the Senator’s assessment of Secretary Haig’s performance in these matters.

It seems to me that no one in this or any preceding administration has worked harder to solve the problems confronted by the United States in this hemisphere than has Secretary Haig. In fact, Secretary Haig has made a major effort to focus world attention on the deteriorating situation in Central America and the Caribbean. And he has spearheaded a serious and determined policy to stabilize the situation in that region.

As regard the Falklands, it was Secretary Haig who undertook a creative and strenuous negotiation to resolve that crisis without war. The negotiation foundered because the military and civilian rulers of Argentina could not agree among themselves to accept any of the formulas for solution which Secretary Haig advanced. To put the blame on the Secretary is to fault the peacemaker rather than the aggressor.

While I have always had a good relationship with the Senator from North Carolina, and regard him as a friend, I do disagree with his attitude on the Falklands matter. I recall that his position against the Senate resolution supporting the United Kingdom set him apart from every other Senator. The Senate vote was 79-1 in supporting the United Kingdom. He was the only Senator who voted against that resolution which became the stated position of both the U.S. Senate and the next day of the President of the United States.

Ambassador Kirkpatrick, for all her dedication and devotion, has had serious policy differences with Secretary Haig regarding the Falklands crisis. Since her experience with Argentina has been so long and intense, she did not fully share the primacy of the commitment of the great majority of Americans, and of this administration, to NATO and to our great ally and friend, the United Kingdom. She is entitled to her own opinions and judgments, but the foreign policy of the United States is the responsibility of President Reagan and Secretary Haig, and I submit that they have acted re-

sponsibly and honorably in the Falklands crisis with the support of the U.S. Senate.●

#### ORDER OF PROCEDURE

Mr. BUMPERS. Mr. President, I yield to the Senator from Wisconsin such time as he may need.

Mr. PROXMIRE. Mr. President, I thank the acting minority leader.

#### OUR GROWING NUCLEAR STOCKPILE

Mr. PROXMIRE. Mr. President, in developing our strategy in controlling the nuclear arms race, it is essential that Members of Congress understand precisely where we stand now. What is the size, makeup, and likely future of the U.S. nuclear stockpile?

Three experts, William M. Arkin, Thomas B. Cochran, and Milton M. Hoenig, coeditors of the forthcoming “Nuclear Weapons Data Book,” have prepared a highly useful article on our nuclear stockpile.

In the next 2 days I intend to call to the attention of the Senate this expert and excellent summary.

The three authors say:

The size and state of the U.S. nuclear stockpile has remained fairly constant throughout the 1970s. During the 1980s, however, the rate of production and retirements will increase and the complexion of the stockpile will change markedly. Many older weapons are being withdrawn as a new generation of nuclear warheads is produced. The present increase in the rate of warhead production is being accompanied by substantial measures to increase the supply of nuclear materials. Nuclear weapons plans for the late 1980s and early 1990s, however, project further materials shortages in the face of production increases and an accelerated generational turnover of warheads.

Mass production of nuclear warheads began in 1947 with the B3, the production model of the FAT MAN nuclear bomb dropped on Nagasaki, Japan. Since then there have been 58 nuclear warhead types produced. Many warhead models have been used in a variety of weapons configurations and delivery systems. Over 20 additional warhead designs never progressed past the development stage. As indicated in Figure I, between 1955 and 1965, the number of weapons produced was massive. Over 30,000 warheads entered the stockpile during this period. The stockpile growth rate peaked in the period from 1958 to 1960 when approximately 12,000 warheads were added to the nuclear arsenal. In 1967, the stockpile reached its all time high of some 32,000 warheads. That number dropped to 27,000 by 1970, increased to about 29,000 by 1974 and since then has declined to its current size of some 26,000 nuclear warheads.

While the stockpile was made up predominantly of tactical weapon warheads in the 1960s, the mix is now about evenly split between strategic and tactical weapons. Reductions in the stockpile over the past twenty years represent shifts in the mix of characteristics of the weapons rather than any real decline in military capability. The deployment of thousands of multiple re-



entry vehicles on missiles in the 1970s, for instance, sharply increased the number of strategic warheads but did not result in a significant change in stockpile size.

Since their introduction, nuclear weapons have acquired a continually increasing importance in all aspects of military nuclear stockpile, ranging from manned portable nuclear land mines weighing about 150 pounds (W54 Special Atomic Demolition Mine or ADM) to multi-megaton bombs weighing more than 8000 pounds (B53 strategic bomb). Nuclear warheads are fitted to almost every weapons type, and used by the military services for almost all warfare roles.

Six warhead types are in production today, including the air-launched cruise missile warhead (W80), Minuteman III Mark 12A warhead (W78), the B-61 bomb, Trident I warhead (W76), the Lance missile enhanced radiation warhead (W70), and the 8-inch artillery enhanced radiation shell (W79). Sixteen additional types are in research and development and three of these (the B-83 bomb, W-84 ground-launched cruise missile, and W-85 Pershing II) are slated to enter production next year.

#### A RARE LOOK INTO HITLER'S INNER CIRCLE

Mr. PROXMIER. Mr. President, "Inside the Third Reich," a movie based on the memoirs of Nazi war criminal Albert Speer, recently aired on ABC television stations. It has received much critical acclaim, including reviews in the Boston Globe and TV Guide.

In the beginning of the 5-hour drama, an old Gypsy woman tells a young, unemployed architect his fortune: "You will rise rapidly, you will win early fame, and you will retire early." And, indeed, as the story unfolds, Albert Speer's fortune proves startlingly true. At 28, he becomes Hitler's "Master Builder," and a member of his elite inner circle; at 36, Speer was named Minister of Armaments, making him responsible for running the German economy including munitions plants operated by a forced-labor corps of up to 5 million; and at 41 he was sentenced during the Nuremberg trials to 20 years at Spandau prison.

Of all Hitler's confidants, Speer is still one of the most fascinating, one of history's curious enigmas. What could have motivated this man to be a party to the Final Solution? He was cultivated, educated, born to wealth, raised by civilized, loving parents, and married to an intelligent, sensitive woman. Speer himself claimed that Hitler had a hypnotic effect over him.

In the end, however, Speer renounced his obsession with Hitler and the Third Reich. As the allies marched on Berlin, he refused to carry out Hitler's "scorched earth" policy—the order that Germany be left in ruins for the allies. Also, Speer was the only top Nazi war criminal to plead guilty at the Nuremberg trials.

Mr. President, the Nuremberg trials play a key role in the history of the

Genocide Convention. The treaty exists because the International Military Tribunal at Nuremberg determined that consideration of genocide was outside of the charter that established the Tribunal.

International reaction was swift. The United Nations General Assembly unanimously adopted a resolution declaring genocide an international crime. In the next 2 years, a drafting committee, chaired by the U.S. delegate, worked to draft a convention to implement the General Assembly's resolution. In 1948 the General Assembly unanimously adopted the Genocide Convention and 2 days later the United States signed the Convention.

Mr. President, we in the Senate must take the next step. We must bring to fruition the efforts of those who drafted the Genocide Treaty.

Mr. President, I urge my colleagues to immediately ratify the Genocide Convention.

I thank my good friend from Arkansas and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arkansas.

#### REINSTATING OIL AND GAS LEASES

Mr. BUMPERS. Mr. President, I have spoken several times on the floor and in the committee on S. 506, which would reinstate two offshore oil and gas leases for the Pauley Petroleum Group, which is headquartered in California. I am compelled to mention it again because of a recent court action taken by the Pauley Group which I feel is against the public interest and I believe exemplifies a lack of good faith on the part of the Pauley Group.

Mr. President, to give you a chronology, on May 17, 1982, the Pauley Group filed suit in the U.S. District Court for the Eastern District of California seeking to enjoin the Department of the Interior from taking bids upon the two leases which that group abandoned in 1969. Pauley asserted that the injunction was necessary to allow Congress the opportunity to reinstate those leases, but Congress has failed to enact such legislation both during the 96th Congress and thus far during this 97th Congress.

The bill, S. 506, was introduced on February 1, 1981, a hearing was held on July 22, 1981, and it was placed on the Energy Committee calendar on September 11, 1981. The committee has twice considered S. 506 at its business meetings, last considering it on November 18, 1981. Since that time the committee has had 20 business meetings, but it has not considered the proposal. It is abundantly clear that the committee and Congress have had ample opportunity to consider this matter, and Pauley's suit is clearly frivolous.

I have made my reasons for objecting to this legislation very clear, and I am even more opposed to it now. I really think that this lawsuit is an additional show of at least a lack of good faith on the part of Pauley since it abandoned its leases in 1969, following the Union Oil blowout in the Santa Barbara Channel. That oilspill naturally caused the Department of the Interior to reassess its policies and regulations to make sure that they were adequate to prevent similar incidents. Although the Interior's subsequent actions never prevented Pauley from continuing to drill on its leases, Pauley nevertheless sued in the Court of Claims for return of its bonus and its anticipated profits, claiming that the Department had effectively revoked the leases. The court resoundingly rejected every single Pauley claim and the Supreme Court declined to hear the case.

So then Pauley comes to the Congress seeking relief and asking us to reinstate the leases which had become quite valuable during the period of the litigation because oil had been discovered on an adjacent tract and gas had been discovered on another. In a strange turnabout, Pauley argued in hearings before congressional committees that the chance of finding any oil or gas on the tracts was highly problematic, although it had alleged, and its witnesses testified in the court case, that the leases held recoverable reserves of 670 million barrels of oil and 920 million (mcf) of natural gas.

In congressional hearings it claimed that Congress should be limited by the USGS estimate that the leases hold only 44 million barrels of oil and oil equivalent. Although it had sought over \$400 million in damages as the measure of the worth of the leases which allegedly were revoked by the Department, Pauley claimed in committee hearings that the United States could only expect to receive \$13.9 million in bonuses if these \$400 million leases were resold. It claimed in Congress that it had had no other choice but to go to the Court of Claims, but now it has opened another avenue of relief, litigation in district court seeking equitable relief, which has been open to it ever since the blowout.

Mr. President, it has been clear to me from the beginning that the Pauley Group has not been worthy of equitable relief from Congress or the courts. When the blowout occurred, the group had drilled eight dry holes on its leases. Some of the members of the group had already given up on the project and written off their investment as a loss. Others had sold out for a small fraction of their original investment. The uncertainty created in the aftermath of the blowout gave Pauley an opportunity to recoup its losses by abandoning its leases and

going to court, which it did. But it lost completely, the Court of Claims rejecting every single contention raised by Pauley. During the course of that litigation, and during the course of almost 10 years, Chevron discovered oil on the adjacent tract, so as soon as the Supreme Court refused to reverse the Court of Claims, Pauley sought private relief from Congress. It has again failed.

It has now filed a meritless "dog in the manger suit," seeking to keep the leases away from everyone else. It claims in the suit that the leases should not be resold until Congress has had time to act, despite the fact that Congress manifestly has had time to act but has not. In fact, the Energy Committee has refused to act. I consider the lawsuit to enjoin Interior as an affront to Congress, as well as to the court. I will do all in my power to keep their bill from passing and I believe there is no basis for the Pauley Group claiming that "Congress will resolve the reinstatement issue in a matter of months."

Pauley's other assertions are equally without merit. For example, it claims that issuance of the lease will cause it irreparable harm. It is a well-established principle of law that monetary loss does not constitute irreparable injury. It is a readily measurable and compensable injury if it occurs at all.

Pauley also asserts that the public interest will be served by the nonissuance of this lease. Pauley assumes that Congress will eventually reinstate the leases, and it argues that the delay in leasing will serve the public interest by hastening development of the leases when, according to Pauley's hopes, they are restored. This argument needs no refutation, because the illogic is too clear. How can delay speed development of these leases?

In addition, there is no certainty or even a good probability that Congress will ever choose to reinstate the leases under any circumstances.

Far from promoting the public interest, Pauley's lawsuit will harm it, which is why I have felt compelled to speak on this issue today. The suit casts a cloud upon the resale of the two leases by creating uncertainty whether they will be issued at all. The sale of these two leases will be held in conjunction with the largest sale of offshore leasing ever held. The June 11 sale will begin a 5-year program of leasing 993 million acres of offshore lands. This sale will occur when exploration is falling because of reduced demand. Since the beginning of the year, there has been a 30-percent reduction in drilling activity. Under these circumstances, it is virtually certain that the pending lawsuit will discourage potential bidders from bidding on the two tracts involved.

I do not quarrel with anyone taking advantage of all available legal proc-

esses. I do not question Pauley's rights. I merely point out that this suit has no merit, just as Pauley's case to Congress has no merit. Furthermore, Pauley's timing seems calculated to reduce the bids made by others for the leases. Pauley has known since January 1982 that these leases would be put up for sale in June 1982. Nonetheless, it let 3½ months pass before filing this suit, leaving a bare 25 days for a court decision and exhaustion of appeals. By comparison, the Pauley Group took less than 2 months time to file its Court of Claims suit after the Department of the Interior changed the regulations governing oil spills. These tactics should be remembered whenever the Senate considers S. 506, if in fact it ever does.

#### ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, could we now go into a period of morning business?

The ACTING PRESIDENT pro tempore. There will now be a period for the transaction of routine morning business.

Mr. JACKSON addressed the Chair. The ACTING PRESIDENT pro tempore. The Senator from Washington.

#### TORPEDO SQUADRONS AT MIDWAY

Mr. JACKSON. Mr. President, last Friday, June 4, marked the 40th anniversary of the Battle of Midway. As we all know, this battle was crucial, occurring when American morale during World War II was at its lowest point. It was won by a combination of the brilliant efforts of U.S. code-breakers, good fortune, and by the fierce and courageous determination of many brave people. Today, I call particular attention to the heroic conduct on the part of the men from three American torpedo squadrons who gave so unselfishly in their attack upon the Japanese fleet and were instrumental in the American victory. These squadrons were led by Comdrs. John Waldron, Eugene Lindsey, and Lance Massey who, along with others who fought so valiantly at Midway, received the Navy Cross for their actions on June 4, 1942.

The Battle of Midway came at a time when Americans were losing hope. In the few months preceding Midway, the Japanese had not only crippled severely the U.S. Pacific Fleet at Pearl Harbor but had also savored triumphs at Hong Kong, Manila, Singapore, and Bataan. While Japan could taste her forthcoming victory in the Pacific, war-weary Americans could only foresee defeat.

Adm. Isoroku Yamamoto, the commander in chief of Japan's Imperial Combined Fleet, devised an intricate plan to destroy the rest of the U.S.

Navy. He would invade Midway, lure the Pacific Fleet to the rescue, and then finish it off in an all-out attack. It would be simple, he said, "as easy as twisting a baby's arm." And it should have been simple. In his "Incredible Victory," Walter Lord writes of the Americans: "By any ordinary standard, they were hopelessly outclassed."

The key to Admiral Yamamoto's plan was to catch the American fleet unaware. The problem with his plan was the Americans knew he was coming. Through the brilliant efforts of U.S. cryptanalysts, the United States was able to decipher coded Japanese messages and thereby learn of Yamamoto's intended trap. With this critical information at hand, Adm. Chester Nimitz prepared to meet the oncoming Japanese naval force.

As planned, the Japanese began their attack on Midway early on the morning of June 4. The Americans, however, were lying in wait and launched their own attack on the advancing Japanese fleet.

The critical period in the battle for Midway began around 9:30 a.m. on June 4 when the American torpedo squadrons began to attack the Japanese ships. Facing the Japanese Zeros and intense antiaircraft fire without the aid of fighter protection, these three squadrons took enormous losses. Ten of 14 planes in Lindsey's squadron were shot down. Ten of the 12 planes in Massey's Torpedo Squadron 3 were knocked down. All 15 planes in Waldron's Torpedo Squadron 8 were lost. In all, 35 of 41 torpedo planes in the three squadrons were cut down. Sixty-eight airmen lost their lives, including Waldron, Lindsey, and Massey. Despite their fierce attacks, the torpedo planes scored no hits on the Japanese fleet. But they did draw a concentrated attack from the Zeros and antiaircraft guns aboard the Japanese ships. This proved to be a critical mistake for Japan because it left their aircraft carriers unprotected and fatally exposed to the American dive bombers.

Shortly after 10, the decisive point in the battle for Midway had arrived. While the Japanese were focused on the torpedo planes, dive bombers from the *Enterprise* and the *Yorktown* were able to swoop down almost unopposed by the Japanese. In just a few minutes, the *Enterprise* bomber squadron, led by Comdr. Wade McCluskey, and the *Yorktown* squadron, led by Comdr. Max Leslie, succeeded in destroying three of the four Japanese aircraft carriers attacking Midway Island. The fourth carrier was destroyed shortly afterward by bombers from the *Yorktown* and *Enterprise*. With the core of the Japanese fleet wiped out, Admiral Yamamoto soon began his retreat and the turning point in the battle for the Pacific had arrived.



In summing up the American victory at Midway, Lord writes:

Against overwhelming odds, with the most meager resources, and often at fearful self-sacrifice, a few determined men reversed the course of the war in the Pacific. Japan would never again take the offensive. Yet the margin was thin—so narrow that almost any man there could say with pride that he personally helped turn the tide at Midway.

The courageous and determined attack by the torpedo planes played a vital role when they diverted the Japanese anti-aircraft fire and fighter defenses and paved the way for the success of the bombers. As another writer put it, "the martyrdom of the Navy torpedo men contributed to the triumph of the Navy bombardiers."

Mr. President, two recent articles provided a more detailed description of the Battle of Midway and the important role played by the torpedo squadrons. I ask unanimous consent that an article in the June 1982 Naval Aviation News and a June 4, Washington Post article on one of the few survivors of the torpedo squadrons at Midway be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Naval Aviation News, June 1982]

#### MEN AND MINUTES AT MIDWAY

(By Clarke Van Vleet)

"Time is everything; five minutes makes the difference between victory and defeat," Lord Nelson said.

At the Battle of Midway it was two minutes.

Between 10:24 and 10:26 the morning of June 4, 1942, the Americans won that great battle which was the turning point of the Pacific war. In those two minutes, three out of four Japanese aircraft carriers attacking Midway Island were wiped out by two separate flights of U.S. Navy dive bombers. Coming from different directions the flights, by coincidence, simultaneously sighted the enemy and attacked. The Japanese never recovered from the defeat.

Timing—some calculated, some coincidental, some dependent on the function of mechanical devices—played a prominent part in the battle.

"Victory . . . often goes to the side which is quicker to act boldly and decisively to meet unforeseen developments, and to grasp fleeting opportunities," wrote Mitsuo Fuchida and Masatake Okumiya in Midway, The Battle That Doomed Japan.

Many Americans acted boldly and decisively at Midway. The timing of their acts, whether planned or unintentional, had a profound effect on the outcome.

The Midway-based PBY Catalina flying boats were out early on June 4, 1942, looking northwest of the island for a strike force of Japanese carriers which was to launch attacks against the American outpost that very morning. Ensign Jack Reid's Cat had already spotted elements of the enemy's Midway invasion occupation force, the day before, coming in from the southwest. Now it was imperative to find the carriers which were to come in from the northwest to plaster the island and soften it up for an invasion by 5,000 Japanese troops.

This was according to intelligence provided to Admiral Chester Nimitz, Commander

in Chief, Pacific (CinCPac). (See accompanying article, "The Unsung Chorus.") On receiving the intelligence reports, the admiral had beefed up Midway's defenses as best he could. He positioned Admiral Raymond Spruance's Task Force 16 with the aircraft carriers Enterprise and Hornet, along with Admiral Jack Fletcher's Task Force 17 with the recently repaired Yorktown, northeast of the island to counter Admiral Chuichi Nagumo's four carriers, Akagi, Hiryu, Kaga and Soryu.

The odds were against Admiral Nimitz. Admiral Isoroku Yamamoto's combined fleet for the whole operation—the carrier strike, the Midway invasion/occupation, the diversionary Northern/Aleutian and the backup main forces—consisted of eight carriers to the American's three, 11 battleships to the U.S. Navy's none and 23 cruisers to the Americans' 13.

For the Midway phase of the operation, the enemy had 293 aircraft of all types on its six carriers. The U.S. had 227 on her three flattops, with another 52 attack, 26 fighter and 30 search-type land-based planes at Midway. As for combat experience of pilots and design of aircraft, the advantage lay with the Japanese. Hornet's air group was new and lacked previous battle experience; Yorktown's air group had never operated as a unit.

Yorktown was not even completely shipshape. She had limped, badly battle-damaged, into Pearl Harbor on May 27 from her Coral Sea engagement, and Admiral Nimitz had told the Pearl navy yard, "We must have this ship back in three days." From then until May 29, workmen did an around-the-clock job to jury-rig her into fighting condition. Hull expert Lieutenant Commander Herbert Pfingst had the patch job completed in 48 hours and Yorktown headed for the line.

Some 200 miles northwest of Midway the fateful morning of the 4th, PBY pilots Lieutenants Howard Ady and William Chase of Patrol Squadron 2 (VP-23, today's VP-10) spotted and reported the locations of elements of Nagumo's carrier force. At 5:30, "A carrier. . . ." At 5:34, "Enemy carriers. . . ." At 5:45 in plain English, "Many planes heading Midway. . . ." (Nagumo's strike aircraft). At 5:52, again in the clear, "Two carriers and main body ships. . . ." The plain English reports in the clear were particularly vital as they alerted Midway and the U.S. carrier task forces without the delays of decoding.

As Nagumo's 108 strike planes roared closer toward Midway, they were picked up 93 miles out at 5:53 by the island's radar. Vectored out to intercept them, Major Floyd Parks' Marine VMF-221 fighter squadron, a mix of 25 antique Buffaloes and Wildcats, was no match for the agile Zeros which shot down 15, including the squadron commander. Of the 10 that returned, only two were still in condition to fly combat.

As the Japanese completed their bombing, the five waves of U.S. planes, which had taken off earlier from Midway, approached Nagumo's carriers. They were met by swarms of enemy fighters and anti-aircraft fire. Beginning shortly after 7:00, Lieutenant Langdon Fieberling and five of his six Navy torpedo-carrying Avengers were shot down; two out of four torpedo-dropping Army Mauders were next knocked out; 15 Army Flying Forts unsuccessfully bombed from 20,000 feet; and Marine Major Lofton Henderson (for whom the field at Guadalcanal was later named), commanding VMSB-241, was lost, along with 12 planes

from his two waves of 16 Dauntlesses and 11 vintage Vindicators, the last to attack at about 8:30. Not a hit was scored. Evasive maneuvering and fending against these attacks, however, caused Nagumo's once compact carrier formation to be delayed and disrupted. Shortly after 8:30, he began recovering his Midway strike planes.

During these attacks, Nagumo had become prey to time and circumstance. About 7:00, he had received by radio a recommendation from his returning Midway strike leader, "Need for a second attack." Having heard no reports of a U.S. force in the area from his search planes, at 7:15 he ordered his standby planes disarmed of their antiship armaments and rearmed with land bombs for a second strike on Midway.

But at 7:28, the search plane assigned to reconnoiter the very area in which Task Forces 16 and 17 were located reported: "Ten ships, apparently enemy. . . ." While there was no mention of U.S. carriers, this first contact report of a U.S. force in the area was 30 minutes later than might have occurred had the search plane for this key sector not been originally delayed in launching by a malfunctioning catapult.

Nagumo decided at 7:45 to suspend the rearming and prepare for a possible attack on the U.S. fleet units. By this time, most of the torpedo planes on Akagi and Kaga were already lined up on the flight decks armed with land bombs and Zeros were airborne on combat patrol, fighting off attacks by the Midway-based planes. Not until 8:20 did a report from the search plane come in, sighting ". . . what appears to be aircraft carrier. . . ." To confirm this vague report, a high-speed reconnaissance plane was launched at 8:30 and, while it located all three U.S. carriers, its radio failed to work and no timely information came through.

Although Admiral Tamon Yamaguchi aboard Hiryu recommended ". . . launch attack force immediately" and strike with what was ready and available, Nagumo opted to complete unloading the land bombs, reload again with antiship armaments and recover his Midway strike and combat air patrol aircraft. The last of these operations was completed at 9:18 when he turned north.

These time-consuming developments caused him to become "a victim of the mechanics of carrier operations," according to the Naval War College analysis on the subject. Also, in the haste to reload a second time with antiship armaments, the unloaded land bombs were not placed in their magazines, but haphazardly piled about, to become exposed ammunition dumps. Moreover, only 10 minutes later, while rearming and new launch preparations were progressing, the first of three U.S. carrier torpedo squadrons arrived to attack with obsolete TBD Devastators.

That morning, the Americans had been making some crucial command decisions of their own. With the 5:52 PBY report in hand, Admiral Spruance took a calculated risk to launch all planes at maximum range to effect surprise and perhaps catch the enemy's Midway strike planes back on deck refueling and rearming. The aircraft launched from Enterprise and Hornet at 7:05, with only the 5:52 position report to go on because communications with Midway, whose land-based planes had tracked Nagumo almost to his turning point, had failed. Admiral Fletcher aboard Yorktown decided to wait for more definitive information on the enemy and ordered only a partial launch at 8:38.

Since the Japanese carriers had changed course and were therefore not at the expected area of interception, Hornet's bombers turned south toward Midway, vainly searching for the enemy. Hornet's VT-8 torpedo squadron, however, spotted the carriers to the north and was the first U.S. carrier unit to swing in on attack at 9:28. Intermittently, for the next 50 minutes, Nagumo's carriers were under siege by torpedo squadrons VT-8 from Hornet VT-6 from Enterprise and, later Yorktown's VT-3, which commenced attacking at 10:16. They scored no hits and most of the planes were cut down by Japanese Zeros and antiaircraft fire. All three squadron commanders, John Waldron, Eugene Lindsey and Lance Massey, respectively were shot down, with 35 out of 41 torpedo planes destroyed. Sixty-eight pilots and airmen lost their lives. By then, the unscathed Nagumo force had beaten off eight U.S. attack waves, shooting down 54 U.S. planes.

In the meantime, Commander Wade McClusky, leading his Enterprise dive bombers, was making some decisions which the War College analysis terms "the most important decisions made by an airborne tactical commander in the Battle of Midway." Reaching the expected interception point at 9:20, he elected to extend his flight into a "box" search by continuing on his heading for another 35 miles and then turning north. While on this northward leg of the flight, he noted a Japanese destroyer heading northeast. He decided to follow it, reasoning that perhaps it was a trailing member of the strike force trying to catch up with Nagumo's carriers. His hunch proved correct and by 10:24 his Dauntless bombers, coming in from the southwest, were diving on two of the enemy's carriers, setting both of them ablaze.

Meanwhile, Yorktown's bombers, led by Commander Max Leslie, were following VT-3 in from the southeast. The bomb on the commander's plane had released prematurely as a result of an electrical failure five minutes after departing Yorktown, but he chose to stay with his squadron and lead it in. "I started my dive from 14,500 feet at 10:25, followed by the squadron diving out of the sun from southeast to northeast," the commander recalled. His planes scored several direct hits, transforming into an inferno another of Nagumo's carriers.

The Naval War College analysis points out "that the Yorktown dive-bombing squadron took departure from its carrier about one hour and twenty minutes after the Enterprise dive-bombing squadron. Yet by a strange coincidence both squadrons sighted the enemy at the same time and made simultaneous attacks on different targets of the same formation, although the presence of each was unknown to the other."

Just before both bombing attacks, which occurred within two minutes of each other, the Japanese had completed their launching preparations and had expected their attack planes to be airborne within five minutes. In their case, however, Lord Nelson's comment proved to be exact. Also, prior to the attacks, the Japanese antiaircraft guns and fighter defenses had been concentrating on the low-flying U.S. torpedo planes, leaving the in-coming, high-flying bombers virtually unopposed in their dives. In effect, the martyrdom of the Navy torpedomen contributed to the triumph of the Navy bombardiers.

The fourth carrier, Hiryu, was several miles north of the three doomed flattops and remained untouched. She got word of Yorktown's position and Admiral Yamaguchi

sent out his attack groups, which hit the American carrier at noon and again at 2:43 p.m., crippling her to such an extent that she had to be abandoned by 3:00.

Two minutes after Yorktown was hit the second time, one of her scouting pilots, Lieutenant Samuel Adams, sighted and reported Hiryu's position at 2:45. Ordered out to attack the surviving enemy carrier at 3:30 was a group of 24 bombers from Enterprise, led by Lieutenant Earl Gallaher. The group included Lieutenant Dave Shumway heading 14 Yorktown bombers which had taken refuge aboard Enterprise in the nick of time when their carrier had come under attack by Hiryu's planes. At 5:00, the Yorktown flyers got their revenge, for they were among those who made four direct hits on Hiryu, destroying the enemy's fourth carrier. Then hours later, Admiral Yamamoto cancelled the Midway operation and retired, defeated in the now memorable victory scored by the officers and men of U.S. Naval Aviation on June 4, 1942. It was the turn of the tide, for never again did the Japanese gain the offensive in the Pacific theater.

#### FORTY YEARS LATER, SURVIVOR RECALLS THE CRUCIAL BATTLE OF MIDWAY

(By Orval Jackson)

NAPLES, FLA.—George Gay spent 30 hours floating in the Pacific Ocean as the savage fighting raged around him after he was shot down 40 years ago today during the crucial Battle of Midway. The course of history changed before his eyes as American forces turned the tide of the Pacific war by dealing a Japanese task force a crushing defeat in its effort to seize Midway Island.

Gay was the lone survivor among 30 fliers in Torpedo Squadron 8, which launched its 15 two-man TBD1 Devastator torpedo planes from the aircraft carrier Hornet for an attack on the Japanese fleet and its four valuable aircraft carriers.

"Torpedo Squadron 3 and Torpedo Squadron 6 came right in behind us," Gay said. By the time the battle ended 35 of the slow, outmoded Devastators had been shot down without doing the slightest physical damage to the Japanese.

"I happened to go down in the middle of the Japanese navy," he said.

"I was right in the middle of that thing all afternoon and all night," Gay said. "I never lost consciousness and was lucid all the time. But it was just colder than the devil. I lost 30 pounds in the 30 hours."

Gay said he salvaged a five-man life raft and a jacket which he kept deflated so as not to be spotted by the Japanese.

"I kept it [the raft] deflated and tried to ride it like a horse," he said.

"They were so close at first that if I'd had my deer rifle I could have been picking off sailors one by one," he said. "But as the battle continued it drifted away and at the end they were seven or eight miles away."

Gay said he saw Japanese planes and boats picking up survivors but said he hid behind floating debris to elude them, and said he never thought about not being rescued.

"I was too busy to give up hope. There wasn't any question of hope. It was a matter of survival," he said.

Gay said the crew of an American PB4Y plane spotted him the morning after the battle and wagged its wings at him as he pointed the direction the Japanese fleet had gone.

"They had a mission to do and I gave them directions," Gay said. "I was dumb-

founded when they came back in the afternoon and picked me up."

Gay, who suffered only a minor wound in the arm and a shrapnel wound in the back of the left hand, says part of the reason the torpedo planes were so vulnerable is that they were carrying obsolete World War I submarine torpedoes that required the planes to be no higher than 80 feet, no farther from the target than 1,000 yards and going no faster than 80 knots at the moment of launching them.

At that speed and that range, the Devastators were sitting ducks to gunfire from the ships and from the Japanese fighter planes flying cover for the fleet.

"Here we had torpedo plane, but no one had designed the aerial torpedo we needed," he said.

But Gay said that even though the torpedo bombers didn't hit the Japanese carriers, their sacrifice in the low-level attacks opened the way for American dive bombers to mop up.

"Torpedo Squadron 8 pulled down the fighter cover onto the water instead of at 18,000 feet where they had been and that let the dive bombers in," he said.

When the battle ended, the Japanese had lost four carriers.

"I've always thought the biggest loss to the Japanese in that battle was not the ships themselves but the high loss of pilots with combat experience," he said.

For his action in the Battle of Midway, Gay received the Navy Cross, as well as several campaign and unit citations.

After a month's leave, Gay returned to active duty and saw further combat in the South Pacific. After the war he became a pilot for TWA, retiring as a captain in 1974.

Three years ago he wrote a book, "Sole Survivor," about his experience in the Battle of Midway. The book is in its second printing.

#### MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of May 27, 1982, the Secretary of the Senate, on June 2 and June 3, 1982, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on June 2 and June 3, 1982, are printed at the end of the Senate proceedings.)

#### WAIVER OF CERTAIN SECTIONS OF THE TRADE ACT—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 142

Under the authority of the order of the Senate of May 27, 1982, the Secretary of the Senate, on June 2, 1982, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

In accordance with subsection 402(d)(5) of the Trade Act of 1974, I



transmit herewith my recommendation for a further 12-month extension of the authority to waive subsection (a) and (b) of Section 402 of the Act.

I include as part of my recommendation my determination that further extension of the waiver authority, and continuation of the waivers applicable to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China will substantially promote the objectives of Section 402.

This recommendation also includes my reasons for recommending the extension of waiver authority and for my determination that continuation of the three waivers currently in effect will substantially promote the objectives of Section 402. It also states my concern about Romania's emigration record this year and the need for its reexamination.

RONALD REAGAN.

THE WHITE HOUSE, June 2, 1982.

#### DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 143

Under the authority of the order of the Senate of May 27, 1982, the Secretary of the Senate, on June 2, 1982, received the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Environment and Public Works, the Committee on Labor and Human Resources, the Committee on Foreign Relations, and the Committee on Small Business:

*To the Congress of the United States:*

In accordance with the Impoundment Control Act of 1974, I herewith report seven new deferrals totaling \$14.5 million and revisions to two deferrals previously reported increasing the amount deferred by \$140.5 million.

The deferrals affect programs in the Departments of Agriculture, Commerce, Interior and Labor as well as the Board for International Broadcasting, the International Communication Agency, the Railroad Retirement Board and the Small Business Administration.

The details of each deferral are contained in the attached reports.

RONALD REAGAN.

THE WHITE HOUSE, June 2, 1982.

#### MESSAGE FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of May 27, 1982, a message from the House of Representatives

was received on May 28, 1982, stating that the House has passed the following bill, without amendment:

S. 2575. An act to extend the expiration date of section 252 of the Energy Policy and Conservation Act.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 102. Concurrent resolution providing for an adjournment of the Senate from May 27, 1982, May 28, 1982, or May 29, 1982 until June 8, 1982, and giving the consent of the Senate to an adjournment of the House for more than three days.

#### ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 2535. An act to regulate the operation of foreign fish processing vessels within State waters;

S. 2575. An act to extend the expiration date of section 252 of the Energy Policy and Conservation Act;

H.R. 1231. An act for the relief of the Washington Post, the Washington Star, the Dispatch (Lexington, North Carolina), the Brooklyn Times, Equity Advertising Agency, Incorporated, the Seattle Post-Intelligencer, and the News Tribune; and

H.R. 1608. An act for the relief of Mrs. Frieda Simonson.

Under the authority of the order of the Senate of May 27, 1982, the enrolled bills were signed by the Vice President on May 28, 1982.

#### MESSAGE FROM THE HOUSE

At 12:25 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4) to amend the National Security Act of 1947 to prohibit the unauthorized disclosure of information identifying certain U.S. intelligence officers, agents, informants, and sources.

The message also announced that the House has passed the following bill and joint resolutions, without amendment:

S. 896. An act to redesignate the control tower at Memphis International Airport, the Omie Tower;

S.J. Res. 131. Joint resolution designating "National Theatre Week";

S.J. Res. 140. Joint resolution designating February 11, 1983, "National Inventors' Day"; and

S.J. Res. 149. Joint resolution to designate the week of June 6, 1982, through June 12, 1982, as "National Child Abuse Prevention Week".

The message further announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 5566. An act authorizing appropriations to the Secretary of the Interior for

services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes;

H.R. 5659. An act to authorize the Smithsonian Institute to construct a building for the National Museum of African Art and a center for Eastern art together with structures for related educational activities in the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at Tenth Street Southwest, in the city of Washington.

H.R. 5930. An act to extend the aviation insurance program for five years; and

H.J. Res. 225. Joint resolution to designate the week beginning June 5, 1983, and ending June 11, 1983, as "Management Week in America".

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 288. Concurrent resolution expressing the sense of the Congress that State and local governments should support the fire safety efforts of the United States Fire Administration to reduce lives and property damage lost by fire.

#### ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

S. 1808. An act to authorize an Under Secretary of Commerce for Economic Affairs.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. GORTON).

#### HOUSE BILL REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 5930. An act to extend the aviation insurance program for five years; to the Committee on Commerce, Science, and Transportation.

#### HOUSE MEASURES PLACED ON THE CALENDAR

The following bills and joint resolution were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5566. An act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

H.R. 5659. An act to authorize the Smithsonian Institute to construct a building for the National Museum of African Art and a center for Eastern art together with structures for related educational activities in the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at Tenth Street Southwest, in the city of Washington.

H.J. Res. 225. Joint resolution to designate the week beginning June 5, 1983, and ending June 11, 1983, as "Management Week in America".

### HOUSE CONCURRENT RESOLUTION REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 288. Concurrent resolution expressing the sense of the Congress that State and local governments should support the fire safety efforts of the United States Fire Administration to reduce lives and property damage lost by fire; to the Committee on Commerce, Science, and Transportation.

### ENROLLED BILLS PRESENTED

The Secretary reported that on May 28, 1982, he had presented to the President of the United States the following enrolled bills:

S. 2535. An act to regulate the operation of foreign fish processing vessels within State waters; and

S. 2575. An act to extend the expiration date of section 252 of the Energy Policy and Conservation Act.

### REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of May 12, 1982, the following reports of committees were submitted on May 28, 1982:

By Mr. SCHMITT, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 2604: An original bill to authorize appropriations to The National Aeronautics and Space Administration for research and development, construction of facilities, and research and programs management, and for other purposes (Rept. No. 97-449).

S. 2605: An original bill to consolidate and authorize certain programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce (Rept. No. 97-450).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 2499: A bill to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes (Rept. No. 97-451).

By Mr. STAFFORD, from the Committee on Environment and Public Works, with amendments and an amendment to the title:

S. 2144: A bill to extend the Appalachian Regional Development Act to provide transitional assistance to the Appalachian region (Rept. No. 97-452).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments:

S. 1941: A bill to provide for the reinstatement and validation of United States oil and gas leases numbered NM 25447 and NM 25452 Acq (Rept. No. 97-453).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments and an amendment to the title:

S. 2146: A bill to extend the lease terms of Federal oil and gas leases, W66245, W66246, W66247, and W62250 (Rept. No. 97-454).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments:

S. 2218: A bill to provide for the development and improvement of the recreation facilities and programs of Gateway National

Recreation Area through the use of funds obtained from the development of methane gas resources within the Fountain Avenue Landfill site by the City of New York (Rept. No. 97-455).

By Mr. HATCH, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 2349: A bill to authorize appropriations for the National Science Foundation for fiscal year 1983 (Rept. No. 97-457).

By Mr. STAFFORD, from the Committee on Environment and Public Works, with an amendment:

S. 2134: A bill authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes (Rept. No. 97-458).

By Mr. MURKOWSKI, from the Committee on Environment and Public Works, with amendments:

S. 2250: A bill to amend the Disaster Relief Act of 1974, and for other purposes (Rept. No. 97-459).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment:

S. 1909: A bill to provide for the reinstatement and validation of United States oil and gas lease numbered W-24153 (Rept. No. 97-460).

By Mr. HATCH, from the Committee on Labor and Human Resources, with amendments and an amendment to the title:

S. 2311: A bill to revise and extend programs relating to biomedical research, research training, medical library assistance, health information and promotion, and research ethics (Rept. No. 97-461).

By Mr. STAFFORD, from the Committee on Environment and Public Works, with amendments:

S. 2451: A bill to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1983, and for other purposes (Rept. No. 97-462).

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2607: An original bill to amend and extend certain Federal laws relating to housing, community and neighborhood development, and related programs, and for other purposes (Rept. No. 97-463).

By Mr. PERCY, from the Committee on Foreign Relations, without amendment:

S. 2608: An original bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to supplement existing authorizations for security and development assistance programs for the fiscal year 1983, and for other purposes (Rept. No. 97-464).

By Mr. QUAYLE, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 2036: A bill to provide for a job training program, and for other purposes.

By Mr. HUMPHREY, from the Committee on Labor and Human Resources, with amendments:

S. 2365: A bill to expand and extend programs relating to alcohol abuse and alcoholism and drug abuse.

By Mr. ROTH, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 2386: A bill to provide for the establishment of a system to collect data on the geographic distribution of Federal funds.

By Mr. ROTH, from the Committee on Governmental Affairs, without amendment:

S. 2457: A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia.

By Mr. CARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2606: An original bill to authorize appropriations for mass transportation.

By Mr. PERCY, from the Committee on Foreign Relations, with amendments and an amendment to the title and an amended preamble:

S. Con. Res. 73: A concurrent resolution to condemn the Iranian persecution of the Bahai community.

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments:

S. 2481: A bill to provide for the reinstatement and validation of United States oil and gas lease number W 61985 (Rept. No. 97-456).

### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. J. Res. 110: A joint resolution to amend the Constitution to establish legislative authority in Congress and the States with respect to abortion (Rept. No. 97-465).

Under the authority of the order of the Senate of May 12, 1982, the following reports of committees were submitted on June 8, 1982:

By Mr. SIMPSON, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute:

S. 349: A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes (Rept. No. 97-466).

By Mr. SIMPSON, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 2385: A bill to amend subchapter IV of chapter 73 of title 38, United States Code, to modify the VA Health Professionals Scholarship Program, and for other purposes (Rept. No. 97-467).

By Mr. HUMPHREY, from the Committee on Labor and Human Resources:

Report on the bill (S. 2365) to expand and extend programs relating to alcohol abuse and alcoholism and drug abuse (with additional views) (Rept. No. 97-468).

### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first



and second time by unanimous consent, and referred as indicated:

By Mr. SCHMITT, from the Committee on Commerce, Science, and Transportation:

S. 2604. An original bill to authorize appropriations to The National Aeronautics and Space Administration for research and development, construction of facilities, and research and programs management, and for other purposes; placed on the calendar.

S. 2605. An original bill to consolidate and authorize certain programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; placed on the calendar.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

S. 2606. An original bill to authorize appropriations for mass transportation; placed on the calendar.

S. 2607. An original bill to amend and extend certain Federal laws relating to housing, community and neighborhood development, and related programs, and for other purposes; placed on the calendar.

By Mr. PERCY, from the Committee on Foreign Relations:

S. 2608. An original bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to supplement existing authorizations for security and development assistance programs for the fiscal year 1983, and for other purposes; placed on the calendar.

By Mr. MELCHER:

S. 2609. A bill to amend title 38, United States Code, to establish a program of direct loans to eligible veterans for the purchase of residential property on which the Administrator of Veterans' Affairs has foreclosed after default on loans guaranteed by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CHAFEE (for himself, Mr. WEICKER, Mr. HEINZ, Mr. DURENBERGER, Mr. MITCHELL, Mr. BAUCUS, Mr. SYMMS, Mr. WALLOP, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. D'AMATO, Mr. NUNN, Mr. SASSER, Mr. DIXON, Mr. RUDMAN, Mr. HUDDLESTON, and Mr. GORTON):

S. 2610. A bill to delay Treasury regulations on the debt-equity issue; to the Committee on Finance.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE (for himself, Mr. WEICKER, Mr. HEINZ, Mr. DURENBERGER, Mr. MITCHELL, Mr. BAUCUS, Mr. SYMMS, Mr. WALLOP, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. D'AMATO, Mr. NUNN, Mr. SASSER, Mr. DIXON, Mr. RUDMAN, Mr. HUDDLESTON, and Mr. GORTON):

S. 2610. A bill to delay Treasury regulations on the debt-equity issue; to the Committee on Finance.

#### DEBT-EQUITY REGULATIONS OF THE TREASURY

● Mr. CHAFEE. Mr. President, today I am introducing legislation regarding IRS's proposed regulations on section 385 of the Internal Revenue Code of 1954. If Congress takes no action, these regulations defining corporate debt and equity shall take effect on

July 1, 1982, and, as currently drafted, will sharply curb the flow of capital to small and growing American businesses. This bill blocks the proposed regulations and directs the Secretary of the Treasury to take into account relevant legislative history if new regulations under section 385 are promulgated.

To understand the rationale for such regulations, some background is helpful. Federal income tax law requires that a distinction be made between debt and equity for at least two reasons. First, interest on debt is deductible by the borrowing corporation while dividends on preferred stock are not. Second, the holder of a debt instrument when receiving the principal pays no taxes while the owner of preferred stock who collects the original purchase price for the stock may pay taxes on this amount as ordinary dividend income.

Over the past 50 years, the question of deciding whether an instrument was debt or equity has fallen to the Federal courts. The courts have developed reasonable approaches to the debt-equity issue, reviewing such factors as whether a corporation's shareholders held the instrument in generally the same proportions as their holdings of common stock and whether the lender acted as an independent creditor. The situations in which this issue arises are disparate, and the courts have not established any rigid tests or formulas for distinguishing debt from equity, instead passing upon each concrete, factual situation. Of course, this case law, which represents the court's judgments in many situations, has left gray areas in which litigation is often necessary to reach a conclusion.

In 1969, responding to the conglomerate merger wave, Congress enacted section 385 of the code, granting the Secretary of the Treasury authority to promulgate regulations which "shall set forth factors to be taken into account" in making the debt-equity determination. The Senate Finance Committee report specifically stated that the Secretary of the Treasury was granted the "authority to promulgate regulatory guidelines . . . [which] are to set forth factors to be taken into account" in making the debt-equity determination in "a particular factual situation . . ." The report used the words "guidelines" six times and the word "factors" seven times in the one-page explanation of the new section 385.

Because the Congress, like the courts, recognized that the debt-equity question arises in a myriad of contexts, a rigid set of formulas or definitive rules for making this determination were not set forth either in the law or contemplated in regulations. Rather, Congress intended that the regulations should codify and clarify

the reasonable approach of the case law, establishing the general guidelines and specific factors relevant to making the debt-equity determination, while leaving to the courts the application of these guidelines to the concrete situations when disputes arose. In short, providing clear guidelines would establish an equitable way for determining whether a financing were debt or equity and would reduce greatly the need for litigation.

Nevertheless, the section 385 regulations now scheduled to take effect on July 1—the revised product of rules first published in 1980—go far beyond congressional intent and, indeed, constitute a needlessly complex maze of highly technical and complicated rules. There are more than 40 pages of confusing and arbitrary rules, subrules, definitions, exceptions, safe harbors, and rules of convenience. A businessman cannot read one portion of the proposed regulations without reading and analyzing dozens of other definitions, exceptions, et cetera. The complexity of these proposed regulations will require small businesses to hire substantially more expert professional assistance—more legal and accounting fees—and will entail longer delays in the making of investment decisions.

While the tortuousness of these regulations is a significant indictment, especially in light of the administration's commitment to simplified Government regulation of business, the real danger of the present section 385 is that they will halt much of the flow of additional capital to small businesses. A simple example can perhaps best illustrate this point. A common practice in small firms is for a major shareholder to lend to the company on a short-term basis in an informal manner, for instance to meet payroll or expand inventory. If a loan were made and neither repaid with any interest nor within 120 days after the end of the fiscal year, the regulations mandate that in most cases the IRS could tax the repayment as a dividend. Indeed, if this same sum were loaned for the same time over a successive number of years, each repayment could be considered a dividend and taxed at a rate of up to 50 percent. Should this issue be raised on an audit, the individual could also owe interest at a 20-percent annual rate on the tax deficiency. With this source of short-term financing put off limits except at a burdensome penalty, perhaps only a bank will loan a cash-strapped business the needed money and then only at the record interest rates now prevailing.

The chilling effect of these regulations as written on capital formation exists not only for established small businesses but also, and perhaps more importantly, for brandnew firms with

an innovative product or service. A company—or individual—with an important new technological advance is a particularly risky investment for there is not yet a market for its product. Traditional financial institutions will usually not bankroll such risky businesses, and often the only source of financing for expansion is a venture capitalist. In order to risk money on such young corporations, though, a venture capital firm must share in the potentially high profits by holding traditional debt instruments which are convertible into stock or provide for an interest rate contingent on a corporation's earnings or financial performance.

Yet, the proposed regulations allow such hybrid debt instruments to qualify as debt only if they meet a Byzantine set of conditions. For example, a hybrid instrument not held proportionately will be treated as debt only if the present value of the instrument's straight debt payments is more than 50 percent of its fair market value. To compute this present value, one ignores any convertibility feature, assumes the smallest possible payment at the latest possible date, and discounts such payments by a rate "within the normal range of rates paid to independent creditors \* \* \* on similar instruments by corporations of the same general size and in the same general industry, geographic location, and financial condition [as the corporation issuing the instrument]." The 50 percent present value test ignores not only the practical difficulties of determining this hypothetical interest rate—it is generally impossible to determine accurately the rate at which such a corporation could make subordinated loans without any conversion or contingency feature—but also the fact that slight variations in the fair market rate are often critical to ascertaining whether the instrument is considered debt or equity.

In my opinion, impeding the flow of capital to these companies on the frontier of technology will have important dynamic ramifications for our economy. The American economy is now going through a major wave of change restructuring the face of American business. Our country is moving from its predominant reliance on capital-intensive heavy industry toward knowledge-intensive companies. The businesses which will be the General Motors, Du Pont, and Alcoa of the next generation are shaky young firms today or may not even exist. If the Congress allows these proposed regulations to take effect, the venture capital players will stop investing their money in long-shot companies, which, while admittedly the most risky, may become the foundation of our economy in 20 or 30 years. Indeed, if Congress accepts the Treasury's rationale that "the ad-

vantage of objective rules in providing certainty outweigh the disadvantage of not providing the theoretically correct outcome in every case," the subsequent development of our economy's structure may result in less innovation and lower productivity and growth.

One other important point bears mentioning. The Treasury has stated that these regulations are "revenue neutral".

The Federal Treasury will not lose money if the proposed section 385 regulations are not in place, but allowing these rules—drafted from the monomaniacal view of setting "good tax policy"—to take effect could seriously disrupt the essential capital formation for small and growing American businesses.

The bill which I introduce today is relatively simple. It recognizes that a distinction must be made between debt and equity but, unlike the proposed section 385 regulations, acknowledges the relevant legislative history and the negative effect of these regulations on small independent businesses. This legislation blocks the current regulations from taking effect, directs the Secretary of the Treasury to take cognizance of this legislative history if he chooses to adopt new regulations under section 385, and prohibits new regulations from affecting any stock or instrument issued or obligation made until 180 days after the Treasury submits them to the Congress.

My bill, then, will block these unduly tortuous section 385 regulations which will hinder the creation and growth of small business. Perhaps more importantly, however, enacting this legislation will signal continued congressional recognition of the importance of small, growing companies, the engines of job creation and innovation, to the weal of our economy. Over the past few years, Congress has acted on several fronts to reduce the burdens on small business, for example, by passing the Small Business Investment Incentive Act of 1980, which loosened some unnecessary strictures on the operation of business development companies and by cutting the maximum capital gains tax rate from 28 percent to 20 percent as part of last year's Economic Recovery Tax Act. Permitting the Treasury to put in force the proposed regulations would create a new and significant artificial burden for small business, particularly onerous and ill-advised in light of the sky-high interest rates and greatly increased small business bankruptcies of the present recession; such action would also be diametrically opposed to the policy course Congress has taken in the last few years to ease the barriers preventing small business from thriving. I, therefore, urge my colleagues to join me in seeing that this modest legislation passes the Senate as soon as possible.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the bill to delay Treasury regulations on the debt-equity issue.

There being no objection, the text of the bill ordered to be printed in the RECORD, as follows:

S. 2610

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. FINDINGS AND PURPOSES

The Congress finds that—

(a) for several reasons the Internal Revenue Code of 1954 requires (as did its predecessors) that a tax distinction be made between debt and equity,

(b) For more than 50 years, whenever the Internal Revenue Service has challenged a taxpayers' characterization of indebtedness, the federal courts have reviewed the concrete factual situation presented by the case and made a reasonable determination of whether the indebtedness constituted debt or equity,

(c) Because there have never been statutory or regulatory guidelines to aid in the federal courts in making this determination, Congress in 1969 enacted section 385 of the Internal Revenue Code of 1954, granting the Secretary of the Treasury authority to promulgate general regulatory "guidelines" setting forth "factors" to be taken into account in distinguishing between corporate debt and equity,

(d) Because the debt-equity question arises in a myriad of contexts, Congress recognized in 1969 that it was not possible to set forth in law or regulations a rigid set of formulas or definitive rules for making such determinations. Rather Congress intended that such regulations would codify and clarify the reasonable approach of the case law, elaborating on the general guidelines and the specific factors to be considered, but leaving to the courts the application of these guidelines and the evaluation of these factors in concrete factual situations,

(e) The regulations issued under section 385 which are currently scheduled to become effective on July 1, 1982, violate this congressional intent by imposing rigid formulas and definitive rules rather than general guidelines and factors to be evaluated in individual cases,

(f) It is essential for small, independent businesses to understand the regulations, but the regulations currently scheduled to become effective July 1, 1982, are not understandable to such businesses.

#### SECTION 2. REGULATIONS NOT TO TAKE EFFECT: NEW REGULATIONS TO BE PROPOSED

(a) Regulations Not to Take Effect.—No regulations determining whether an interest in a corporation is to be treated under section 385 of the Internal Revenue Code of 1954 as stock or indebtedness shall apply to any instrument or stock issues, or obligation made, before 180 days after any proposed regulations under subsection (b) are submitted by the Secretary of the Treasury or his delegate to the Congress.

(b) Proposed Regulations.—If the Secretary of the Treasury or his delegate chooses to adopt regulations under section 385 of such Code he is instructed to take cognizance of section 1 and such regulations, if any, shall be consistent with the findings under section 1.

● Mr. WEICKER. Mr. President, today I join with Senators CHAFEE,



HEINZ, DURENBERGER, MITCHELL, BAUCUS, SYMMS, WALLOP, BENTSEN, BOSCHWITZ, D'AMATO, NUNN, SASSER, DIXON, RUDMAN, HUDDLESTON, and GORTON in introducing legislation to block the implementation of the U.S. Treasury's proposed regulations under section 385 of the Internal Revenue Code.

Section 385 of the Internal Revenue Code, enacted in 1969, authorizes the Secretary of the Treasury to issue regulations to determine when an instrument issued by a corporation is a debt instrument and when it is an equity instrument.

In March 1980, 11 years after enactment, the Treasury issued the first set of proposed regulations under section 385. The regulations were modified and finalized on December 31, 1980, and scheduled to go into effect on May 1, 1981. Subsequently, the effective date was changed to January 1, 1982 and finally on January 5, 1982, the 385 regulations were amended again and repropounded with an effective date of July 1, 1982.

That is where we are at right now. And Mr. President, after taking a look at the product of Treasury's labors, all I can say is it is time to send them back to the drawing board once again.

After 11 years, the Treasury has presented us with 40 pages of confusing and arbitrary rules, subrules, exceptions, exemptions, qualifications, definitions, safe harbors and rules of convenience. These things read like a Chinese puzzle, and what is worse, they fly in the face of everything we have been working to do recently to aid small businesses in these difficult economic times.

If our small businesses are to grow, they must have access to venture capital. This applies not only to new firms just starting out, but also to mature, well-established businesses that may be going through some tough times right now.

Under these convoluted, conflicting and counterproductive regulations, vital access to venture capital will be effectively denied, just when our small businesses need it most.

As proposed, the section 385 rules could classify certain types of new financing transactions, traditionally treated as corporate debt, as equity. This is critically important to small business because interest on debt is deductible by the payer corporation while dividends on equity are not deductible. In addition, the holder of a debt instrument who receives repayment of the principal amount of his debt is not taxed on the amount of principal repaid, while the holder of an equity instrument who receives back the original purchase price for the instrument may be taxed on such repayment as an ordinary income dividend if he continues to hold a substantial equity interest in the corporation.

I do not need to tell anyone who has ever been involved in the running of a business or who has ever owned his own business what kind of disastrous effect this sort of measure would have on that business.

Mr. President, not only would these misguided regulations greatly impede the efforts of all sectors of Government and private industry to encourage capital formation through venture capital investments, but they would do so in terms which could not be understood by the vast majority of the American public.

Up until now, guidance for distinguishing between debt and equity has been provided by the courts in case law. Now, to be sure, our learned judges do not always write in terms which can be easily read and understood by the common man, but believe me, these regulations are worse. Even if a small business wanted to comply with what the Treasury is proposing in 385, it would take a team of highly paid accountants and lawyers to decipher the regulations first.

At a time when the emphasis of this administration claims to be on simplifying and streamlining Government regulations, this thing appears to have come straight out of the dark ages. Small business owners, lawyers, and accountants, all tell me the same thing: These regulations are incomprehensible to the point of being ridiculous, and thus, will be impossible to apply with any degree of certainty.

I am not the only one who has been hearing complaints about the proposed regulations. On March 10, 1982, the Internal Revenue Service held a hearing to take testimony and comments on the proposal. The message—from representatives of large and small companies, tax attorneys, financial experts and accountants—was clear: The regulations are ambiguous, complex, and extremely difficult to apply. Conclusion? They should be scrapped.

Still others have been speaking out in opposition to the Treasury's proposal:

On April 22, 1982, The National Advisory Council to the Senate Committee on Small Business, a group of 25 small business men and women from around the country, met in Washington and passed a resolution asking for immediate repeal of section 385 of the Internal Revenue Code. This was the number one priority of the Council at its spring meeting.

In February of this year, the tax section of the American Bar Association, at its mid-year meeting, criticized the proposed regulations for being overly lengthy and complex, for placing a substantial burden of small business, and for continuing to fail to use the fair market value of a corporation's assets in determining its debt-to-equity ratio. By a wide margin, the tax section's committee on closely held companies recommended that the proposed regulation be withdrawn and that the Treasury start from scratch with a different approach.

On May 4 and 5, 1982, Small Business United, one of the most broadly based small business coalitions in the country, presented its legislative priorities to the Congress. Heading the list was a recommendation for repeal of section 385.

Additionally, the National Association of Small Business Investment Companies and the National Venture Capital Association have voiced their strong opposition to the proposed regulations. The membership of these two organizations accounts for about 85 percent of all professional organizations operating in the American venture capital industry in terms of assets.

The venture capitalists correctly point out that their regulations, if promulgated, will apply to every new and existing corporation that is attempting to raise additional capital. The effect of these regulations will be to impede the raising of capital from the venture industry because certain types of traditional venture capital transactions such as convertible notes and contingent interest rate notes may be treated as equity instruments.

The tax ramifications of such treatment would, in many cases, destroy the economics of these highly risky financings to the extent that many venture investments in young and growing businesses will become unattractive. The Venture Capitalists contend that this result could occur because the proposed section 385 regulations contain lengthy and confusing objectives tests that are patently artificial and bear no relation to standards used in the marketplace by the American financial community.

Other representatives of the small business community opposed to the implementation of the section 385 proposed regulations include the National Association of Wholesalers/Distributors and the National Small Business Association, both of which are broadly based small business organizations.

So obviously, Mr. President, I am not the only one voicing concern over the Treasury's proposal. Responsible representatives of almost every sector of our economy have examined these regulations and found them seriously lacking.

In my view, to go ahead with these regulations now would not only be wrong in terms of the negative effects it would surely have on our small business community, it would be irresponsible. To allow these regulations to go into effect would indicate negligence on the part of the Congress and would send a clear signal to the small business community that we are not serious about reducing the burden of complex Government regulations on small business.

The bill we are introducing today would permit the Treasury to redraft these regulations if they so choose. The proposal we have before us now is

totally unacceptable to me and it should be unacceptable to this administration. It is time we realize that our best hope for the restored economic health of this Nation is the renewed economic health of our small businesses. We will never achieve that health with this kind of economic prescription. ●

#### ADDITIONAL COSPONSORS

S. 1564

At the request of Mr. WEICKER, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 1564, a bill entitled the "American Tuna Protection Act."

S. 1951

At the request of Mr. BENTSEN, the Senator from Delaware (Mr. ROTH), and the Senator from Georgia (Mr. NUNN) were added as cosponsors of S. 1951, a bill to change the penalties for possession of controlled substances under section 401(b) of the Controlled Substances Act.

S. 1958

At the request of Mr. DOLE, the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 1958, a bill to amend title XVIII of the Social Security Act to provide for coverage of hospice care under the medicare program.

S. 2148

At the request of Mr. HELMS, the Senator from Alabama (Mr. DENTON) was added as a cosponsor of S. 2148, a bill to protect unborn human beings.

S. 2570

At the request of Mr. SASSER, the Senator from Alabama (Mr. HEFLIN), the Senator from Kentucky (Mr. FORD), the Senator from Montana (Mr. MELCHER), and the Senator from Oklahoma (Mr. BOREN) were added as cosponsors of S. 2570, a bill to recognize the special relationship between Congress and organizations of war veterans, to amend the Internal Revenue Code of 1954 to provide that a limit on the tax exempt status of such organizations shall apply only if such organizations engage in substantial lobbying on issues unrelated to veterans affairs, the Armed Forces, or national defense, and for other purposes.

#### SENATE RESOLUTION 367

At the request of Mrs. HAWKINS, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of Senate Resolution 367, a resolution expressing the sense of the Senate with respect to recognition of the Red Shield of David of the Magen David Adom by the International Committee on the Red Cross.

#### NOTICES OF HEARINGS

##### SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public

the scheduling of a 2-day workshop on the subject of land protection and management. The workshops will be held on Monday, June 14, and Tuesday, June 15, beginning at 9 a.m. and concluding at 5 p.m. in room 3110 of the Dirksen Senate Office Building.

The workshop will consider in more detail some of the issues raised during a similar workshop held by the subcommittee last year on alternatives to public land acquisition and land protection policies, in addition to taking a closer look at the issue of private ownership versus Federal retention.

Secretary of the Interior James Watt is among a group of distinguished administration officials, Federal and State land managers, industry representatives, private landowners, conservation groups, and tax law experts who have been invited to participate in the 2-day roundtable discussion.

For further information regarding the workshop you may wish to contact Mr. Tony Bevinetto of the subcommittee staff at 224-0613 or Mr. George Shiehl at 287-7251.

##### SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES

Mr. WARNER. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Energy and Mineral Resources to consider the national materials and minerals program plan and report to Congress issued by the President on April 5, 1982. The hearing will be held on Tuesday, June 29, beginning at 9:30 a.m. in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy and Mineral Resources, room 3104, Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding these hearings you may wish to contact Mr. Roger Sindelar of the subcommittee staff at 224-4236.

Mr. President, I would like to announce for the information of the Senate and the public the scheduling of public hearings before the Subcommittee on Energy and Mineral Resources to continue consideration of America's role in the world coal export market. On Tuesday, July 27, the subcommittee will receive testimony of foreign coal ports and the international transportation of coal; and on Thursday, July 29, the subcommittee will receive testimony on the condition of America's coal ports. Both hearings will begin at 9:30 a.m. in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the

Subcommittee on Energy and Mineral Resources, room 3104, Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding these hearings you may wish to contact Mr. Roger Sindelar of the subcommittee staff at 224-4236.

#### ADDITIONAL STATEMENTS

##### SENATOR DOMENICI ADDRESSES UNIVERSITY OF VIRGINIA GRADUATES

● Mr. WARNER. Mr. President, recently the chairman of the Budget Committee, our distinguished colleague, Senator DOMENICI, was asked to deliver the commencement address at the University of Virginia. His address was enthusiastically received by the graduating students, the faculty, and the guests present, and I am proud that that speech has become part of the history of that outstanding institution of higher learning.

Mr. President, Senator DOMENICI's address should be included in the RECORD because I believe it is good advice for not only Mr. Jefferson's school, but young men and women across the Nation.

The address follows:

COMMENCEMENT ADDRESS, UNIVERSITY OF VIRGINIA

(By Senator PETE V. DOMENICI)

I was asked to speak for thirty minutes at this occasion. However, I have worked hard on this speech in order that I will belabor you with it for only fifteen or twenty minutes. I hope that you will appreciate this so much that you will clap at least for brevity, if not for any wisdom my remarks may contain.

I say this especially since I can't remember myself who gave the remarks at my graduation either from high school or from college.

However, I remember what my father said after I proudly got my diploma from the University of New Mexico: "Va bene, cañoni; cosa desiderate domani?" And for those of you not blessed with Italian parents, that means, "Okay, Bigshot, what's next?"

Not bad, is it? Just the proper message for a cocky kid who thinks he has a lock on the future.

What next, indeed.

Let's think together about where you are going now. After the parties and after the summer, then what.

As one of my senior staff members says, "Welcome to the NBA—the National Basketball Association." I asked him what that means, and he replied, "That's what they say to a hot-shot rookie after Moses Malone knocks his shot 15 rows up in the stands."

After today, a lot of your shots are going to be blocked. But, a lot are going to go in, too.

And, the nagging fear many of you may feel as you look out over these beautiful hills at the future is that you don't know what will work for you and what won't.

So, let me give you this thought—whatever you do, try to make yourself happy. Do what you like to do, what you want to do.



But, and this is the rub, make sure you really know what you want to do. That's the terrible price freedom and democracy extract—they force us to think and make choices. Since we are allowed to do almost anything in this society, the heavy burden of making ourselves happy falls almost exclusively upon ourselves. We have no tyrant making all choices for us, no benevolent dictator acting as caring father and mother. It's all up to us.

I want to quote John Stuart Mill here. "I never, indeed, wavered in the conviction that happiness is the test of all rules of conduct, and the end of life. But I now thought that this end was only to be attained by not making it the direct end. Those only are happy who have their minds fixed on some object other than their own happiness; on the happiness of others, on the improvement of mankind, even on some art of pursuit, followed not as a means, but as itself an ideal end. Aiming thus at something else, they find happiness by the way. The enjoyments of life are sufficient to make it a pleasant thing, when they are taken en passant, without being made a principal object. Once make them so, and they are immediately felt to be insufficient. Ask yourself whether you are happy and you cease to be. The only chance is to treat, not happiness, but some end external to it, as the purpose of life."

Or as Iowa Bob, the old football player and weightlifter in John Irving's book, "The Hotel New Hampshire," put it, "You've got to get obsessed and stay obsessed."

Now, what should you get obsessed about, I don't know. Nureyev said, "Somehow life tastes better when I dance." For me, politics make life taste better, for others teaching, for others race-car driving. Seek your obsession and thank the Lord when you find it. Many never do, and are never fulfilled.

You will seek your obsession in a rare society. As you seek happiness, what kinds of responsibilities do you have in this democracy? This is more than a rhetorical question, and the answer is not obvious.

It has been written that "democracy is one of the few systems that has ever been willing to risk a long period of confusion and mixed purposes for the sake of giving man a chance to grow up in mind and responsibility." I urge you to cherish this system. I urge you to think about it, shortcomings and all. The old certificates we got from Catholic School said, "Don't stop learning about God." I would add, don't stop learning about this system either. I promise you one thing—you are going to learn more in the next 20 years than you have learned in the past 20, and I hope that you learn most about this extraordinary experiment we are trying in America.

Almost 70 years ago, in a time we now have deemed in our arrogance to have been simpler, less demanding, Woodrow Wilson said, "Patriotism, properly considered, is not a mere sentiment; it is a principle of action or rather is a fine energy of character and of conscience operating beyond the narrow circle of self-interest. Every man should be careful to have an available surplus of energy over and above what he spends upon himself and his own interests, to spend for the advancement of his neighbors, of his people, and of his nation." That sounds a lot like that John Stuart Mill quote I mentioned earlier, doesn't it?

But, are these mere words? Do they mean anything in the real world, the NBA, as we called it earlier?

Those words have marched millions of Americans to battle; have moved this nation

to spend billions of dollars in foreign aid and tens of billions each year for the needy and destitute of our land; and have prompted acts of private and public charity unmatched by any other society in the history of the world.

If this Nation is going to continue to make anything out of its experiment with democracy, it will be because you have been careful to have an available surplus of energy to spend on others.

So, then, I have given you two pieces of advice. Seek happiness in action; seek service in love.

Now, let me give a third piece of advice. Stand up for something, or you'll roll over for everything.

How does that work, you might ask.

Let me give you an example, and I hesitate to use this example because it involves my work of the past several months. But, if you'll allow me to talk about myself for a second, I will.

I think we have to reform the Social Security System. I don't think any question remains about it. And, I think we have to reform it this year. We have a moral responsibility in the Congress to save the system, even in this year, an election year.

As many of you in this audience know, those of us who are urging this action are not real popular with a lot of our colleagues in the Congress. They say, "Wait, guys, until the November elections are over. And, even then, we can cover up the problem for a few more years."

The Senate Budget Committee said, "No. No more cover-up and no excuses about election year politics. We need to do our job now."

For those of you who believe that political courage is automatically rewarded, let me enlighten you. The mail to the Senate Budget Committee has been running about ten to one against us. Organized groups are plastering our names in every newsletter they publish, accusing us of trying to dismantle the system. Even the Administration is queasy about tackling Social Security.

Yet, the Senate this past week took the first step toward solving Social Security. And, I believe that the American people are beginning to move to our side. I sense it more and more every day. Because, what many of us are saying is simply true. Over time, we will win this battle and we will make Social Security solvent. And, we will bring peace of mind to millions of elderly Americans.

But, if it had not been for just a few people, many of them Senators and Congressmen even this sophisticated audience may now know well, we would not be this far along. They stood up for something.

To quote once again, "Have the courage to live. Any one can die." And, for those who think that courageous things can happen only in big arenas—like legislators or natural capitals—or only in dramatic ways, like the extraordinary valor shown on the battlefield, let me say this. Everyday living requires courage. It will take a great deal of courage for you to seek happiness and to take a chance on yourselves. Remember, though, you rarely regret what you do. You almost always regret what you didn't try.

This is a good society, a decent society. But, it will remain so only if you do your share, in your own way. Seek happiness in action; seek service by giving a little of yourself to those around; stand up for something when you can. And keep pushing, which is my fourth little piece of advice.

That means—realize how extraordinary this system is, using capitalism and freedom

in order to provide so much good for so many. But, don't get lazy about it. Yes, our economic and political systems are unique, but they aren't perfect. Let's keep this great economic machine alive and well, but let's keep working with it and for it so that those who cannot help themselves get help.

I have been told that it is socially graceless to talk about love. Well, let me try anyway.

What I have been talking about today is, in many ways, love. Love yourself by seeking happiness. Love others by giving of yourself. Love the truth by standing for something. Respect our economic and political system by pushing it to a higher standard.

That extra energy that Wilson talked about as patriotism, that obsession that Iowa Bob told us to get, and better taste that Nureyev gets from dancing, all revolve around loving. Don't get cynical about that.

And, speaking about cynicism, I hope that the healthy skepticism our education system has given you will not turn into a bitter cynicism. I hope you will recognize failings of institutions reveal only the failings of individuals. I hope, at the end, viewing these blemishes will allow you to see the great opportunity to act, to make the failings less frequent. If we have taught you that men can be evil, I hope that we have taught you that men can be good; if we have told you that politics is corrupt, I hope that we also told you that politics is moral; if we have shown you that our economic system has flaws, I hope we can show that it bestows blessings beyond any other system. And, if you have learned that men have feet of clay, I hope you can learn that they can have spirits of purest flame.

It's a tough world out here. You don't have any lock on the future. But, then, neither does anyone else. We are all in this together, equally powerless and powerful. If we remember our essential oneness, we will have success; for each fear, bring courage; for each neglect, give attention. So, my final piece of advice must be that you remember the greater community of which we are inextricably, in light and darkness, partners.

Get happy, get strong, take some chances, love some things and somebody, and get out there and help your neighbors. After all is said and done, that about sums it up. Now all you have to do is do it. If you do, what a life you will have led.

Oh, I can't go without the obligatory Jefferson quote, can I? I searched all over for one that would suit the occasion. I know you have been inundated with Jefferson since Day One here, but I finally found one that's really good for a speech that is trying to be both practical and philosophical: "When angry, count to ten," the great Jefferson said. And, when very angry, count to a hundred." It works, my friends. Thank you for having me. ●

#### AWASH IN OIL—FACT OR FICTION?

● Mr. RANDOLPH. Mr. President, for the third time since World War II many persons are allowing themselves to be fooled into thinking the oil crisis was contrived. The Middle Eastern nations want to perpetuate this belief, to discourage a search for new energy sources. By keeping oil prices down for a year or two, development plans for synfuels and other renewable energy forms can be effectively delayed for 5

to 10 years. As shown by recent cancellation of alternative fuels projects, new projects need a \$40 to \$50 a barrel price to be economic.

Many now say with present oil decontrol and future natural gas decontrol the energy crisis is over. They are as dangerously wrong now as when the Eisenhower administration stopped the first U.S. synthetic fuels program, believing the created international illusion that the world was permanently awash in oil.

Mr. President, if we are again subscribing to this delusion, and if in fact the majority believe that a commercial scale synfuels industry will be a political and not an economic choice, the Synthetic Fuels Corporation (SFC) is more important now than it was when created 2 years ago.

On June 2, the SFC announced 37 proposals were received for its second solicitation for synthetic fuels projects. In releasing this information, Edward E. Noble, chairman of the SFC said:

The private sector's continued commitment to synthetic fuels development is clearly illustrated by the strong response to the corporation's second solicitation. These projects will be the pioneers of a new industry. They will provide the foundation on which a commercial synthetic fuels industry can develop.

Mr. President, is the oil crisis over? No; it is not. A June 1, 1982, article in the New York Times "Periling Energy Security," authored by Stuart E. Eizenstat President Carter's chief domestic policy adviser, illustrated this clearly. I ask the article and my June 8 letter to Mr. Eizenstat on this crucial subject matter be included as part of the RECORD.

The material follows:

[From the New York Times, June 1, 1982]

#### PERILING ENERGY SECURITY

(By Stuart E. Eizenstat)

WASHINGTON.—A national tragedy is unfolding. Now invisible, it will become evident all too soon at enormous cost to America. It is the crumbling of our infant alternative-energy industry, which held such promise of freeing the nation from its dangerous dependence on foreign oil.

The most recent acts in this tragedy are Exxon's termination of an oil-shale plant that would have produced 50,000 barrels of oil equivalent per day; the Administration's deep cuts in solar-energy programs and alternative-energy research; its chilly attitude toward synthetic-energy programs; its total reliance on crude oil decontrol; and the belief that with today's oil glut our energy problems are over.

America has lost two opportunities to regain the energy security it enjoyed earlier in its history, and is on the verge of losing a third.

The first occurred after World War II when funding was stopped for Franklin D. Roosevelt's wartime program to create synthetic-energy pilot plants to develop the technology that had met Germany's wartime jet-fuel needs without crude oil. It was stopped because discoveries of large quantities of crude oil created an illusion of a

world permanently awash in oil. This illusion persisted through the 1950's, when Dwight D. Eisenhower imposed a quota to keep out cheap foreign oil, and the 1960's, when almost unnoticed the Organization of Petroleum Exporting Countries was created, domestic crude oil production leveled off, and our dependence on foreign oil increased.

The second opportunity was lost after the Arab oil embargo of 1973-74, when crude oil prices quadrupled. Despite significant efforts by Richard M. Nixon and Gerald R. Ford, and some modest legislative accomplishments, their energy programs foundered on the rocks of indifference when an oil glut stabilized prices in real terms from 1974 to 1978.

America got its third opportunity in 1979 when the Iranian revolution cut oil supplies and dramatically increased prices. Jimmy Carter and a bipartisan coalition in Congress launched an array of initiatives: crude oil decontrol, a windfall-profits tax, a solar bank, new conservation programs, and a Synthetic Fuels Corporation to stimulate private-sector production of 500,000 barrels of synthetic-oil equivalent per day by 1987.

Yet, this historic opportunity is also being lost. The corporation in more than 18 months has yet to help start its first project. The solar bank is virtually dead. Conservation programs are decimated. The Emergency Allocation Act is vetoed. The Administration's plan to dismantle the Energy Department has just been sent to Congress. Once again, America is letting its guard down because of a temporary oil glut.

Why won't President Reagan's policy of total reliance on "the magic of the marketplace" provide energy security? Certainly, energy policy has been flawed by Government controls. Presidents Carter and Reagan correctly decontrolled crude oil. Natural-gas decontrol should follow. But we would be repeating our mistakes to rely exclusively on the market: It fails to reflect the economic impact of our dependence on foreign oil. The price shocks of 1973 and 1979 initiated and perpetuated the economic stagflation of the 1970's. The last price increase alone raised Western import costs by \$170 billion and made prices 9 percent higher and the Western gross national product \$500 billion or 6 percent lower than they otherwise would have been.

The market cannot fully reflect the national security implications of dependence on oil from unstable countries. The economic power of Arab oil does influence our foreign and domestic policies. Sheik Ahmed Zaki Yamani, Saudi Arabia's Oil Minister, said it was necessary to moderate oil prices to discourage American alternative-energy technologies from substituting for Saudi crude oil. Such discouragement may be in Saudi Arabia's interests but not America's.

Because world oil prices are so volatile and unpredictable, they fail to provide an adequate signal for private sector investment in alternative energy. What seemed a profitable investment with oil prices rising now looks unappetizing. Private industry is driven by short-term profit requirements, not long-term energy decisions. Not so OPEC, which is hardly dead. Its recent cap on production levels is already firming up prices.

We live in the twilight of the crude oil era, with crude a dwindling resource. American and OPEC energy production is unlikely to rise dramatically. We must prepare now for a future with scarce crude oil. The Government must work with industry by creating incentives to stimulate development of all

alternatives to foreign oil, or again we will mortgage our future to the temporary pleasures of another oil glut, and again confront national tragedy.

#### COMMITTEE ON ENVIRONMENT

#### AND PUBLIC WORKS,

Washington, D.C., June 8, 1982.

Mr. STUART EIZENSTAT,  
1110 Vermont Avenue NW,  
Washington, D.C.

DEAR STUART: I commend your article, "Periling Energy Security," in the June 1st, edition of The New York Times.

The United States indeed remains vulnerable to a cutoff in oil supplies from the Middle East. This vulnerability could be eased by the production of synthetic fuels from domestic resources, continued support for a solar energy, and fully funded conservation programs. If, as you point out, we do manage to retain our third opportunity to regain energy security by developing a synfuels industry, that industry could boost the economy by providing people with work and by providing new markets for the nation's coal, steel, lumber and concrete industries.

Another oil disruption, and it will come, would reduce the output of manufacturing and other firms that require oil products for their various processes, which in turn would reduce aggregate supply. World oil prices would again rise significantly. The price increases would further depress our economy as large amounts of money were transferred from domestic consumers to foreign and domestic producers. Inflation would rise. Higher oil prices would ripple through the economy, first through refined petroleum products and then through all other products dependent on petroleum inputs. Again the United States economy could suffer lower output, increased unemployment and higher inflation.

The national interest compels the continued development of a strong commercial alternative fuel industry. Your comments express this challenge in a positive and forthright manner.

Truly,

JENNINGS RANDOLPH.●

#### NATIONAL COUNCIL ON THE HANDICAPPED

● Mr. WEICKER. Mr. President, it gives me great pleasure to present to my colleagues the executive summary of the 1982 annual report of the National Council on the Handicapped. In accordance with Public Law 95-602, the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978, section 401 (6), this report was submitted to the President, the Secretary of Health and Human Services, the Secretary of Education, and the Congress of the United States.

The Council, its distinguished Chairman, Howard A. Rusk, M.D. and Executive Director, Carol Berman, have done an outstanding job which reflects the substantial effort and time that the Council has invested in 1981. This report contains an insightful critique on the activities of the Rehabilitation Services Administration and the National Institute of Handicapped Research, and a statement on the status



of research concerning handicapped persons in the United States. Among the many topics covered by the National Council on the Handicapped during 1981, a dominant subject was the current and potential impact of executive and legislative proposals relating to the future structure of programs concerning handicapped people. From their thorough and intensive study, the Council has developed astute recommendations which I especially want to call to my colleagues' attention.

I ask that this executive summary and table of contents be printed in the RECORD.

The material follows:

#### EXECUTIVE SUMMARY

This report to the President, the Congress, the Secretary of Education and the Secretary of Health and Human Services from the National Council on the Handicapped complies with requirements of Section 401(6) of the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978 (P.L. 95-602, amending the Rehabilitation Act of 1973). The Act requires that the Council submit a report by March 31 of each year, containing a report on the activities of the Rehabilitation Services Administration (RSA) and the National Institute of Handicapped Research (NIHR), a statement on the status of research concerning handicapped persons in the United States, and such recommendations as the Council considers appropriate.

The report contains four sections and six appendices. Section One describes activities and accomplishments of the Council during the year 1981, and sets the stage for the rest of the report. Section Two briefly highlights programs of RSA and NIHR. Section Three identifies several topics which were of major concern to the Council over the year, many still unresolved, and comments on each issue. Section Four relates to the status of research concerning handicapped people, and includes summaries on ten topics judged to be timely and illustrative of the goals of NIHR and of the wide range of research activities in the field. The appendices may be useful as references. The first two supply information about the National Council, (A) its membership and committee structure and (B) its bylaws. Appendix C supplies the agenda and a brief synopsis of the forum held in May, 1981 on "The Place of Disabled Persons in our Economy." Appendix D contains the Council's "Statement of Policies Governing NIHR," which was developed during 1981 and approved in September. Appendix E contains a map which shows the location of major centers funded by NIHR during 1981, including new awards. Appendix F supplements the status of research report, and includes a list and summary of RSA/NIHR sponsored "State of the Art" workshops and lists the RSA/NIHR supported Institutes on Rehabilitation Services and Institutes on Rehabilitation Issues held during the years from 1973 to the present.

This executive summary highlights some of the major points which appear in greater detail in the body of the report. Of the many topics addressed by the Council during the year, those which are particularly germane to the policymaking process are emphasized in this summary.

#### MAJOR ACTIVITIES DURING 1981

During 1981, the National Council on the Handicapped (NCH) channeled its energies toward establishing written policies for NIHR, toward developing a process for working with NIHR in setting annual funding priorities, toward initiating interactions with its constituencies, and toward becoming informed in a systematic way about the wide range of federal programs affecting handicapped people. The Council also developed its first Annual Report, established its bylaws and an organizational structure for accomplishing its work through committees and task forces, held a public forum, and took steps toward more fully meeting its assessment and advisory responsibilities with respect to rehabilitation services. One Committee of the Council met several times with the RSA Commissioner or his designee and with leaders of 21 national organizations toward this end. The Council's first forum was held in May, 1981, and plans were made for four forums during 1982. Another Committee of the Council met jointly with officials of NIH and the Director-Designate of NIHR concerning mutual interests in research relating to handicapped people. Informational panels served to bring the entire Council together with policy makers in government and with leaders of organizations outside of the public sector.

One of the major undertakings of the Council during 1981 was the development of a "Statement of Policies Governing the National Institute of Handicapped Research." The Council believes that its duty to establish general policies of NIHR called for an explicit statement. Appendix D contains the statement itself, which includes sixteen policies related to program, and nineteen policies related to operations and procedures. The statement is cited throughout the body of the report.

Priorities of NIHR have been another matter consuming Council attention in 1981. Implementation of the original long-range plan would have required annual appropriations at levels two or three times those experienced by NIHR. Selected priorities thus have been announced annually, with the understanding that awards would usually be for multi-year projects and programs. The question of how the Council would influence priorities was resolved through a great deal of Council-Institute interaction and cooperation. Timeliness, protection of confidentiality to protect the fairness of competition, and avoidance of actual or apparent conflict of interest on the part of Council members have been issues faced during the year. A special ad hoc task force of NCH members who are not grantees or potential grantees worked with NIHR staff in shaping priorities which NIHR would announce for uses of 1982 and 1983 funds.

#### RECURRENT CONCERNS OF THE NATIONAL COUNCIL ON THE HANDICAPPED

Among the many topics covered by the NCH during 1981, a dominant subject was the current and potential impact of executive and legislative proposals relating to the future structure of programs concerning handicapped people. In a May 1981 letter to the President of the United States, to the leadership of Congress, to the Secretary of Education, and to the Secretary of Health and Human Services, the Council offered its continuing support to the Administration and conveyed the following specific recommendations:

(1) That a strong federal role in assuring a free appropriate education and adequate

medical care for all handicapped children be maintained;

(2) That the programmatic integrity of the state rehabilitation programs be protected and that there be maintained a federal agency with specific primary responsibility for assisting states in this activity;

(3) That some measure of priority in respect to eligibility for social services be maintained for aged, blind and disabled persons with low income;

(4) That the planning, coordinating and advocacy provisions of the Developmental Disabilities Assistance and Bill of Rights Act be preserved;

(5) That the federal entity responsible for support and promotion of applied research and development related to counter-dependency services and devices for handicapped people be maintained and strengthened; and

(6) That practical aid for families caring for a handicapped member, mediated by community based agencies, public and private, be made a priority of this Administration.

Another recurring concern of the Council has been the regulatory reform activities of the federal government. The Council has been asked to review and comment on proposed regulatory actions for the Architectural and Transportation Barriers Compliance Board (ATBCB), the Education for All Handicapped Children Act (P.L. 94-142) and the Rehabilitation Services Administration. Briefings also were held on proposed changes in accessibility requirements by the Department of Transportation and on the effect of actual and proposed legislative and regulatory changes on programs administered under the Social Security Act. In each case, the primary concern on the part of officials representing the Administration has been the reduction of regulatory burden, complexity and cost; and strict adherence to legislative mandates. The Council has asked to be shown, but has not seen, evidence of a strong commitment to monitoring and supporting affirmative outcomes through technical assistance after the final regulations have taken place. The Council appreciates the unequivocal stand taken by the Administration in favor of a free and appropriate education for all school aged handicapped children. Nonetheless at the time the Council heard proposed regulatory changes of P.L. 94-142, it advised the Assistant Secretary for Special Education and Rehabilitative Services that it could not comment meaningfully on the proposals in the absence of a clearly articulated statement of mission and strategy for accomplishing its mission on behalf of handicapped school children. When a panel on Architectural Barriers informed the Council about an intended rescission of the ATBCB's regulations and the proposed elimination of the Board, the Council voted to communicate with the Congress its view that the Board should remain in existence, and later also supported the continuation of the Board's interim guidelines.

#### OTHER COUNCIL ACTIONS RELATED TO NIHR AND RSA

In reviewing activities of NIHR and RSA, the Council has taken issue with some grants management procedures expressed in Department of Education or OMB regulations, which in the Council's view, are not in the best interest of disabled people. Notable among the concerns expressed by the Council are the following:

Consideration of grant applicants' past records. Department of Education grant

procedures (EDGAR) restricts NIHR's ability to consider an applicant's past record when evaluating grant applications. The Council considers the new procedures constructive in deflecting an earlier perception by professionals in the field that personal influence has played an undue role in the grant award process, but considers that too heavy a reliance on technical merits which can be measured objectively and quantitatively may reward applicants who write well rather than those with demonstrated superior research performance or creativity. The Council believes that past record—good or bad—also is germane in evaluating grant applications.

**Use of Discretionary Funds.** The EDGAR regulations restrict the ability of the Commissioner to use discretionary funds. The Council acknowledges that by and large these regulations are appropriate, but believes that a limited amount of funds should be earmarked for the Commissioner to use at his discretion to support policy initiatives, as has been possible in the past.

**Indirect Cost Rates.** In light of NIHR's shrinking budget, the Council considers excessive the Department of Education's allowable indirect cost rates for grantees, especially as applied to NIHR. These rates are considerably higher than those allowed for the same grantees in previous years. Higher indirect costs result in reduced returns on NIHR's research and development dollars, since an ever increasing proportion is allocated to university overhead. It is within the authority of the Secretary of Education to request that OMB change or permit an exception to this policy. The Council has recommended that the Secretary and OMB consider permitting NIHR to set a ceiling on allowable indirect costs for its grants.

**Site Visits.** The Council has strongly recommended in its statement of policies governing NIHR that site visits be made for grants which will exceed \$1 million over the projected period of the grant. It remains unclear whether NIHR will be able to carry out the Council's directive on this aspect of the review process because of shrinking resources. In the Council's view, this would be penny-wise and pound-foolish.

**Programmatic issues within RSA and NIHR** have been called to the Council's attention through its forum and meetings. Issues related to RSA programs have been basic policy questions. Three are described in this Annual Report.

**Client Services.** One concern heard by the Council is that vocational rehabilitation agencies may be focusing less energy on client services than on the maintenance of the service delivery system. Any system the size and age of the VR system faces this potential problem and needs constant efforts to be vital and responsive to changing needs and client expectations. The Commissioner and the Council pledged to address and assess this question during 1982.

**Service Equity.** Disabled minority populations and persons who are severely and chronically ill most need access to rehabilitation services provided through state rehabilitation agencies. Clarification of more specific client service objectives in RSA's mission statement and policy initiatives would clarify the expected level of effort in this area.

**VR Outcomes.** The RSA Commissioner has expressed concern about an inadequate emphasis on client placement in competitive employment. The Council hopes to assist the Commissioner by suggesting appropriate means for improving placements and for

accommodating greater numbers of severely disabled clients with fewer federal dollars.

A research related programmatic issue called to the attention of the Council during 1981 was the discontinuation for technical reasons of a publication called "The Informer." This was an information dissemination mechanism of NIHR's Rehabilitation Research and Training (R&T) Center program, conducted from one of the R&T Centers. The NCH has recommended that a replacement be initiated as soon as possible for this important medium.

When legislative opportunity arises, there have been a few sections of the Rehabilitation Act that the Council believes would be useful to clarify. These pertain to definition of handicapped individual for purposes of NIHR's mission, role of federal scientists in peer review, and interpreter services for post secondary education.

The above recommendations follow from discussion which appears in the body of the report, primarily on pages 28-37. A few other Council recommendations are interspersed with discussions in other portions of the report, and it is useful to cite them here. For example,

The Council supports the goals of the International Year of Disabled Persons and encourages continued federal efforts toward their attainment (page 3);

The Council recommends strengthening the linkages between NIHR and NIH (page 6); and

The Council recommends consolidating the number of annual reports required, since some are redundant (page 11).

Finally, the report on the status of research concerning handicapped people in the United States (Part Four of the Report) includes recommendations for future research on each of the selected topics. Since these summaries are already consolidations, they are not further condensed here. The specific topics addressed in the status of research report are listed in the Table of Contents.

This Executive Summary concludes with the philosophic comments which appears at the beginning of the Report. Quoting the Chairman of the Council, "Rehabilitation, like society as a whole, is deeply involved in the process of social change and ever changing value systems. Its research can no longer be the avocation of the few but must be a basic part of service program planning and development." The recognition of the linkage between services and research is a cornerstone of the Rehabilitation Act. Much progress has been made over the years in fostering the concept that research should enhance but not be subordinated to services and that a formal mechanism is needed to assure that constituencies such as consumer groups, clients, grantees and industry are consulted about the service and research programs designed to involve and serve them.

#### TABLE OF CONTENTS—EXECUTIVE SUMMARY

##### I. INTRODUCTION

A. Duties of the National Council on the Handicapped.

B. Major Events in 1981.

C. Progress and Accomplishments of the Council.

D. Future Plans of the National Council on the Handicapped.

##### II. ACTIVITIES OF THE REHABILITATION SERVICES ADMINISTRATION AND THE NATIONAL INSTITUTE OF HANDICAPPED RESEARCH

A. Activities of the Rehabilitation Services Administration.

B. Activities of the National Institute of Handicapped Research.

C. Interagency Committee on Handicapped Research.

##### III. ISSUES AND COUNCIL RECOMMENDATIONS

A. Administrative Purpose.

B. Regulatory Reform.

C. Grants and Contracts Management.

D. Data on Disabled People in Service and Benefit Programs.

E. Needed Legislative Clarification.

F. Programmatic Issues.

G. NIHR Priority Setting Process.

##### IV. STATUS OF RESEARCH CONCERNING HANDICAPPED PEOPLE IN THE UNITED STATES

A. Records of Congress.

B. Syntheses of Research: Functional Assessment; Chronic Back Pain; Microprocessor Technology; Transportation Policy; Research on Peer Counseling; Placement Research in Vocational Rehabilitation; Alternative Living Arrangements for Person with Mental Impairments; Economic Benefits of Vocational Rehabilitation Services; Federal Data on Disabilities; and Information Dissemination and Utilization.

##### APPENDICES

A. Council Members: Addresses, Terms, and Committee Assignments.

B. By-Laws of the National Council on the Handicapped.

C. Agenda and Synopsis of NCH Public Forum Held in May, 1981.

D. Policies Governing NIHR: Approved by NCH in September, 1981.

E. Map of Centers Receiving Funds or New Awards from NIHR in 1981.

F. Selected Resources: Status of Research.

#### THE GM-ISUZU AGREEMENT

● Mr. TSONGAS. Mr. President, on May 24 the United States lost yet another round in its industrial competition with Japan. The General Motors Corp. signed an agreement with Isuzu Motors, Ltd. under which the Japanese company will develop and manufacture a new model of subcompact car. The new car, to be produced in Japan, will replace GM's popular Chevette. GM is thus abandoning plans to manufacture the so-called S-car here in the United States.

I should like to share with my colleagues an analysis published on May 25 in the Wall Street Journal that explores the implications of GM's decision. The article is written by John Schnapp, vice president of the distinguished, Boston-based consulting firm, Harbridge House. Schnapp discusses the alarming portents of the GM-Isuzu contract as it relates to U.S. competitiveness.

The GM decision calls into immediate question the future of over 60,000 employees who are now contributing to the manufacturing of the Chevette. Further, the decision ominously reveals the conviction of the healthiest and largest U.S. auto manufacturer that it can, despite its massive capital modernization program, still produce cars more economically in Japan than in this country.



There is no quick fix for this state of affairs. Tariffs or import restrictions cannot change the fundamental economics of building a car in the United States. We must undertake the long-run structural changes necessary to regain our competitive advantage.

I would like to challenge General Motors. The company has analyzed the comparative cost of producing cars in Japan and the United States and found against the United States. I call upon GM to devise a plan of action that would adjust the economic fundamentals. With the Isuzu contract, General Motors presents the Nation with a fait accompli. GM ought to tell us more. It ought to outline the fundamental changes that would be required to manufacture the S-car more efficiently in the United States.

A blue print for change no doubt will include actions for government and labor, as well as management. Not everyone will agree with the specifics. We need, however, a beginning toward more cooperation between management, labor, and government in solving our industrial problems.

By building its cars in Japan through Isuzu, General Motors enjoys the benefits of an economy that fosters a sense of partnership among business, labor, and government. I hope that GM will work with the Government and labor here on an agenda that would produce the same cost savings in the United States.

Mr. President, we simply cannot continue to lose manufacturing business to other countries. Too often we are stalemated by ideological debate concerning the appropriate roles of business, government, and labor. I would like to see GM join in a dialogue where we focus on specifics. Can we recover the contract to build the S-car? Maybe. But we will never know unless the company closest to the issue will step forward and specify what is required.

Mr. President, I ask that Mr. Schnapp's comments be inserted in the RECORD.

The material follows:

[From the Wall Street Journal, May 25, 1982]

#### GM SHAKES UP THE AUTO INDUSTRY (By John B. Schnapp)

In mid-January Michael Juras, the Chevrolet Division's chief engineer in charge of small-vehicle programs, casually revealed a change in the General Motors product development plan. He indicated that GM had decided to abort a project for producing its S-car in the United States. "The S-car," Mr. Juras commented, "ran into some financial difficulties so it is not really a 'go' project by any stretch of the imagination." The story rated six lines on the front page of the Jan. 18 Automotive News, a weekly trade publication.

This week the news came that GM in 1984 will start to import up to 200,000 subcompacts annually from Isuzu Motors Ltd. of Tokyo. This development confirms GM's apparent belief that from a long-term stand-

point, 40% of the American passenger-car market must probably be conceded to foreign automakers. A look at the background to this decision provides pertinent insights into the events and issues that contributed to GM's thinking about the future of the company and the U.S. auto industry.

In the wake of the 1973 and 1979 oil shocks, relative demand for subcompact cars reached large proportions. Americans were concerned about fuel prices and fuel availability. Possibly more important, the economic uncertainty of the period caused more car buyers to opt for less opulent vehicles. Last year and the year before and the year before that subcompact cars accounted for nearly 40% of total new car purchases. Six out of 10 of these subcompacts were imports and most were Japanese.

The reaction of the domestic automakers to the subcompact boom has been conditioned largely by the economic factors in that sector of the market. There is almost as much direct labor involved in producing a subcompact in the U.S. as in producing a large car. However, prices for subcompacts are established by foreign firms with lower labor costs and with the benefits of greater manufacturing scale and specialization. In 1980, for example, Toyota produced more than three-quarters of a million Corollas, nearly double the production of the largest selling American-made subcompact. Without approximating Japanese production economics, it would be impossible for U.S. manufacturers to build subcompacts at acceptable levels of profitability.

Nonetheless, they tried.

#### CHRYSLER'S AND FORD'S EFFORTS

Chrysler, in the hands of a management that was guiding it rapidly toward insolvency, tried first. Three-and-a-half years ago it introduced Omni/Horizon, a VW Rabbit lookalike powered by an imported VW engine. But Chrysler equipped only one assembly plant to produce Omni/Horizon, a scale of output too low to produce adequate economies of scale. This decision virtually assured the unprofitability of the product.

Ford made a larger commitment. In the 1981 model year it launched its Escort/Lynx family. During their first full year on the market these cars rolled up U.S. sales of 450,000. But the U.S. plants tooled up to produce them have a two-shift annual capacity, without the use of overtime, nearly twice that large. For Escort/Lynx to prove a profitable product entry, a high proportion of sales would have to be "upscale" versions like the sporty EXP, which cost little more to produce but carry prices 35% higher than the basic model. And a much higher percentage of Escort/Lynx production capacity would have to be tapped.

The situation confronted by GM was more complex. GM's market position was strongest in the larger car size segments of the market, segments that also were the most profitable. And in 1975 GM had to develop long-range plans which centered on the federal government's recently enacted fuel economy regulatory structure. This structure was built around a device called "corporate average fuel economy," which rapidly was transformed into its acronym, CAFE. Under the CAFE formula the average fuel-efficiency level of GM cars sold in 1985 had to exceed 27.5 miles per gallon; in 1974 GM's actual CAFE level was 12 miles per gallon.

This might have prompted GM to unleash an effort to introduce phalanxes of attractive little cars and to persuade its customers to shift to these from what George Romney had characterized in the 1950s as "gas-guzz-

ling dinosaurs." Apart from the doleful financial consequences of such a strategy, GM saw another large obstacle to it. By 1976, as the traumas of the first oil shock had begun to dissipate, there seemed to be a buyer shift away from subcompacts and back toward larger cars again.

So at the very time GM was shaping its long-term product development plan, it saw itself as caught between buyers who still wanted big cars and a government that wanted high levels of fuel-efficiency. The only plausible answer seemed to be an effort to produce a generation of highly fuel-efficient cars that offered the same amenities that typical GM buyers demanded.

The product development program that GM launched for the decade 1975-1985 has been a mammoth and remarkable undertaking. The capital investment levels associated with it each year are more than three times as high as any the company had previously recorded. It has involved two cycles of "re-sizing," each one trimming down in turn the basic GM fullsize cars, then its midsize vehicles and finally its compact sizes. By the end of the second re-sizing cycle all three of these families will have been transformed into frontwheel drive versions with interior space comparable to their gas-guzzling antecedents but with fuel consumption levels of less than half. Only when these transformations of the larger cars were completed did GM plan to turn its technical hand and financial resources to the introduction of a wholly new subcompact, the S-car, originally due for introduction in 1984 but subsequently postponed to 1985.

To reinforce its product line in the subcompact sector, GM decided to replace Vega in late 1975 by transplanting to the U.S. a small conventional subcompact introduced in 1973 by its Brazilian and German subsidiaries. Called Kadet in Europe, it became Chevette here.

Chevette, which involved negligible development and adaptation cost and, because of its conventional character, was relatively cheap to build, became the GM entry in the subcompact derby. GM has sold 1.9 million Chevettos but, nonetheless, has never gained more than about 15% of the subcompact market. And it was to be Chevette, 12 years old by 1985, that was to be superseded by the American S-car.

#### A FINANCIAL LOSER

In aborting its U.S. S-car project, GM is almost certainly reflecting a view that no matter how much of the subcompact sector it might capture with the S-car and no matter how cost-effectively it might mechanize the S-car production process, the foreseeable labor content and labor cost would make the S-car a financial loser.

By mid-March reports from Japan were reaching the automotive trade press indicating that GM would increase its ownership in Isuzu Motors Ltd. from its current 34.2% and that Isuzu would apply the additional capital to the design and production of a new subcompact vehicle it would export to the U.S. in 1984 as a Chevette replacement. The new car is likely to have a 90-inch wheelbase, weigh 1,600 pounds and be powered by a 1.3-liter gas engine or a 1.5-liter diesel engine. These specifications are similar to those of the S-car.

Thus, the most technically resourceful and financially healthy American automaker seems to have concluded that U.S. factories cannot profitably compete in the largest volume segment of the U.S. passenger

car market, if not permanently then at least for the next decade.

The decision should not significantly affect the fortunes of the domestic automakers. GM may conceivably become as large an importer of Japanese vehicles as Toyota or Datsun's American subsidiaries. Even Ford is backstopping its Escort/Lynx bet by planning to import in 1984 large volumes of a new, slightly smaller subcompact being designed by Toyo Kogyo, the producer of Mazda cars and a firm in which Ford has acquired a 25% equity interest.

But the future for the American suppliers of raw materials and components to Detroit will certainly be a diminished one. It appears unlikely that an industry—automakers, materials suppliers, components vendors—which combined on four occasions to produce in excess of nine million cars will ever again see a seven million car year. ●

#### ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, if there are any Senators who wish to make statements during morning business today, I would request they be notified to come to the floor if they intend to make such statements in this period.

#### FILING OF VETERANS' AFFAIRS COMMITTEE REPORTS ON S. 349 AND S. 2385

Mr. STEVENS. Mr. President, I ask unanimous consent that the reports of the Committee on Veterans' Affairs on S. 349 and S. 2385 being filed today shall be deemed to have been filed on May 28, 1982, in compliance with section 402(a) of the Congressional Budget Act of 1974 and the order of May 12, 1982, with respect to the deadline for the filing of certain committee reports.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### ORDER FOR THE RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. STEVENS. Mr. President, I ask unanimous consent that the following Senators be granted a special order for not to exceed 15 minutes on tomorrow, Wednesday, June 9: Senator CHILES, Senator BUMPERS, Senator LEVIN, Senator PROXMIER, and Senator CRANSTON.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### RECORD OPEN UNTIL 3 P.M. TODAY

Mr. STEVENS. Mr. President, I further ask unanimous consent that Members have until 3 p.m. today to file statements, bills, or reports from committees.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. STEVENS. Mr. President, I ask unanimous consent that when the Senate stands in recess today, it reconvene tomorrow at 11 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### PROGRAM

Mr. STEVENS. Mr. President, tomorrow following routine morning business, it is our intention to take up H.R. 5432, providing for a specially struck gold medal to Adm. Hyman George Rickover. After the vote on that bill, and there will be a vote, it is my intention to make a motion to proceed to the consideration of the voting rights bill.

On Thursday, we are trying to clear the consideration of H.R. 4, the agent identities bill. That does not really require clearance; it is a conference report, but we intend to take it up.

Also, we are trying to clear consideration of S. 1554, the bail reform bill.

Following those two items, we will again resume the attempt to motion up consideration of the voting rights extension. That is the program for tomorrow.

#### RECESS UNTIL 11 A.M. TOMORROW

Mr. STEVENS. Mr. President, unless there is further business to come before the Senate now, I ask unanimous consent, in accordance with the previous order, that the Senate stand in recess until 11 a.m. tomorrow.

There being no objection, at 12:49 p.m., the Senate recessed until tomorrow, Wednesday, June 9, 1982, at 11 a.m.

#### NOMINATIONS

Executive nominations received by the Secretary of the Senate June 2, 1982, under authority of the order of the Senate of May 27, 1982:

##### THE JUDICIARY

Henry A. Mentz, Jr., of Louisiana to be U.S. district judge for the eastern district of Louisiana vice Lancing L. Mitchell, retired.

Jaime Pieras, Jr., of Puerto Rico, to the U.S. district judge for the district of Puerto

Rico vice a new position created by Public Law 95-486 approved October 20, 1978.

##### DEPARTMENT OF JUSTICE

William C. Whitworth, of South Carolina, to be U.S. Marshal for the district of South Carolina for the term of 4 years vice Andrew J. Chishom, resigned.

##### NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS

Frank J. Donatelli, of Virginia, to be a Member of the Board of Directors of the National Corporation for Housing Partnerships for a term expiring October 27, 1984, vice Herman J. Russell, term expired.

##### IN THE MARINE CORPS

The following-named U.S. Air Force Academy graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 5585/541, subject to the qualifications therefor as provided by law:

Montgomery, Glen D, Jr., 3806

The following-named Marine Corps Enlisted Commissioning Education program graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531, subject to the qualifications therefor as provided by law:

Baker, Sabrina, xxx-...  
 Bean, Mark H., xxx-...  
 Bellemere, David, xxx-...  
 Benson, John, xxx-...  
 Bethke, William, xxx-...  
 Burns, Robert, xxx-...  
 Cain, James M., xxx-...  
 Charboneau, David P., xxx-...  
 Clare, Greg, xxx-...  
 Danielson, Brian, xxx-...  
 Davidson, Dale, xxx-...  
 Dillon, Douglas C., xxx-...  
 Dungan, Mark, xxx-...  
 Evans, William S., xxx-...  
 Gammell, Bradley R., xxx-...  
 Hanscom, Steven M., xxx-...  
 Hernandez, Jose, xxx-...  
 Hirata, Kurt, xxx-...  
 Johnson, Nannette, xxx-...  
 Jordan, Samuel, xxx-...  
 Kollards, Koa P., xxx-...  
 Lang, Robert, xxx-...  
 Leeper, Arthur J., xxx-...  
 Lefever, Larry A., xxx-...  
 Murphy, Richard, xxx-...  
 Nelson, Andrew, xxx-...  
 Noel, Allen, xxx-...  
 Orlandi, John D., xxx-...  
 Restine, Michael, xxx-...  
 Reyes, Richards, xxx-...  
 Richey, Thomas, xxx-...  
 Satterfield, Robert C., xxx-...  
 Sheahan, Terrence E., xxx-...  
 Shook, John, xxx-...  
 Smith, David L., xxx-...  
 Smith, Phillip, xxx-...  
 Spurr, Patrick M., xxx-...  
 Starkey, Fred O., xxx-...  
 Torgler, Randy W., xxx-...  
 Uribe, Gilbert A., xxx-...  
 Victrum, Stanley, xxx-...  
 Villarreal, John J., xxx-...  
 Whiteside, David, xxx-...

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 2107, subject to the qualifications therefor as provided by law:

Adams, William L., xxx-...  
 Bacon, Bartholomew P., xxx-...



Brenstuhl, Thomas K., xxx-...  
 Dart, Steven G., xxx-...  
 Johnson, William A., xxx-...  
 Lissner, Kenneth X., xxx-...  
 Perkins, George W., xxx-...  
 Pinckney, Michael E., xxx-...  
 Tremblay, Paul Lawrence, xxx-...  
 Waugh, Max Jeffrey, xxx-...  
 Wood, Christopher M., xxx-...  
 Wood, Mark S., xxx-...

The following-named U.S. Naval Academy graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531, subject to the qualifications therefor as provided by law:

Abderson, William M., xxx-...  
 Anderson, Timothy D., xxx-...  
 Anongos, John F., xxx-...  
 Aylward, Matthew M., xxx-...  
 Baker, Raymond B., xxx-...  
 Baptist, Dwayne P., xxx-...  
 Barth, Michael D., xxx-...  
 Beach, William W., xxx-...  
 Bell, John Adam W., xxx-...  
 Bennett, Donald C. Jr., xxx-...  
 Benson, Craig F., xxx-...  
 Bishop, Leroy C., xxx-...  
 Borrer, Paul J., xxx-...  
 Brannen, Thomas E., xxx-...  
 Bugbee, John A., xxx-...  
 Cates, Lawrence P., xxx-...  
 Chico, Christian J., xxx-...  
 Claypool, Robert Edward B., xxx-...  
 Clover, Kevin R., xxx-...  
 Coetzee, Frans J., xxx-...  
 Coulter, Carrie L., xxx-...  
 Cwick, Mark J., xxx-...  
 Daniel, Russell B., xxx-...  
 Davis, William F., xxx-...  
 Debate, Ivan A., xxx-...  
 DeJarnette, David K., xxx-...  
 DeLoach, Richard Z., xxx-...  
 Dimas, Robert Jr., xxx-...  
 Dinardo, George V., xxx-...  
 Dinkins, David H., xxx-...  
 Fehr, Steven P., xxx-...  
 Ferrell, Theodore J., xxx-...  
 Fitzgerald, David M., xxx-...  
 Franklin, Frederick L., xxx-...  
 Galiyas, David A., xxx-...  
 Gandee, Linda M., xxx-...  
 Garmon, James C., xxx-...  
 Grady, Brian J., xxx-...  
 Hackett, Edward G., xxx-...  
 Hammond, James W., xxx-...  
 Harper, Andrew D., xxx-...  
 Harrison, Joyce L., xxx-...  
 Hendry, Robert L., xxx-...  
 Hintze, Donald W., xxx-...  
 Horton, Matthew R., xxx-...  
 Hubbard, Ralph M., xxx-...  
 Hughes, Tyrone J., xxx-...  
 Jackson, Timothy J., xxx-...  
 Jaszczyszyn, Peter J., xxx-...  
 Jentz, Henry W., II, xxx-...  
 Johnson, Wade M., xxx-...  
 Johnston, Michael J., xxx-...  
 Jones, David I., xxx-...  
 Jones, Shelley A., Jr., xxx-...  
 Juarez, Barbara A., xxx-...  
 Kane, John J., III, xxx-...  
 Kearley, William F., xxx-...  
 Kelly, John F., xxx-...  
 Kennedy, John C., xxx-...  
 King, Philip H., xxx-...  
 Korn, John F., xxx-...  
 Krug, Paul A., xxx-...  
 Land, Dennis R., xxx-...  
 Lang, William S., xxx-...  
 Lema, Donald E., xxx-...  
 Leonard, Craig K., xxx-...  
 Lingar, James D., xxx-...  
 Logsdon, Andrew D., xxx-...

Manzano, Edwin B., xxx-...  
 Maticotta, Ernest A., xxx-...  
 May, Gregory T., xxx-...  
 Maze, Michael P., xxx-...  
 McAffrey, John P., xxx-...  
 McArthur, Doman O., xxx-...  
 McArty, John R., Jr., xxx-...  
 McDaniel, Edward R., xxx-...  
 McKenney, Larry B., xxx-...  
 McKenzie, Robert H., III, xxx-...  
 Meyers, Edward A., xxx-...  
 Miller, Daniel K., xxx-...  
 Miller, Mark A., xxx-...  
 Mogan, Lawrence L., xxx-...  
 Montesi, Gregg E., xxx-...  
 Moody, Benjamin W., xxx-...  
 Moss, Dana W., xxx-...  
 Mossbrucker, Jeffrey A., xxx-...  
 Murillo, Esteban R., xxx-...  
 Nobles, Walter E., Jr., xxx-...  
 Norton, Michael J., xxx-...  
 Ohl, Jeffrey C., xxx-...  
 Padden, Thomas W., xxx-...  
 Parker, Carl T., xxx-...  
 Patch, Phillip M., xxx-...  
 Patterson, Roger C., xxx-...  
 Pedley, William D., xxx-...  
 Perez, Phillip A., xxx-...  
 Perkins, Richard P., xxx-...  
 Philon, James M., xxx-...  
 Quercia, Michael, xxx-...  
 Rapp, Stephen H., xxx-...  
 Reese, Everett F., xxx-...  
 Riso, Brian J., xxx-...  
 Robertshorsfield, Kieth A., xxx-...  
 Robillard, Gregory, xxx-...  
 Rowe, Gerard A., xxx-...  
 Salinas, Philip L., xxx-...  
 Samples, David W., xxx-...  
 Sansone, Rodman D., xxx-...  
 Schneider, Henry J., Jr., xxx-...  
 Sims, Mark E., xxx-...  
 Skopowski, Paul F., xxx-...  
 Smith, William E., Jr., xxx-...  
 Snyder, Ronald W., xxx-...  
 Souser, Gerard, A., Jr., xxx-...  
 Strait, Peter A., xxx-...  
 Stroud, Shawn W., xxx-...  
 Tabert, Mark T., xxx-...  
 Taracevich, Steven F., xxx-...  
 Thomas, Timothy S., xxx-...  
 Tissue, Phillip C., xxx-...  
 Tyson, Gregory S., xxx-...  
 Valore, Orlando M., Jr., xxx-...  
 Vandenberghe, Raymond J., Jr., xxx-...  
 Vanhouten, John S., xxx-...  
 Vaughn, Charles B., xxx-...  
 Warker, Peter M., xxx-...  
 Wassink, John R., xxx-...  
 Weber Lawrence K., III, xxx-...  
 Wilson, Casey K., xxx-...  
 Wilson, Joseph M., xxx-...  
 Wojtan, Edward W., Jr., xxx-...  
 Yelder, Christopher E., xxx-...  
 Yorio, Paul R., xxx-...  
 Zendle, Neal H., xxx-...

#### IN THE AIR FORCE

The following named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of chapter 36, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

#### LINE OF THE AIR FORCE

##### To be colonel

Giannotta, Salvatore F., xxx-xx-xxxx  
 Koop, Homer L., xxx-xx-xxxx  
 Moss, Howard T., xxx-xx-xxxx  
 Webb, Ronald, J., xxx-xx-xxxx  
 Windrath, Donald C., xxx-xx-xxxx

#### CHAPLAIN

Davis, Edwin S., xxx-xx-xxxx  
 Monti, Robert M., xxx-xx-xxxx

#### LINE OF THE AIR FORCE

##### To be lieutenant colonel

Wilson, John L., xxx-xx-xxxx  
 Executive nominations received by the Secretary of the Senate June 3, 1982, under authority of the order of the Senate of May 27, 1982:

#### DEPARTMENT OF STATE

Robert H. Phinny, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

#### NATIONAL COUNCIL ON EDUCATIONAL

##### RESEARCH

The following-named persons to be Members of the National Council on Educational Research for the terms indicated:

For the remainder of the term expiring September 30, 1982:

Donald Barr, of Connecticut, vice Helen S. Astin.

For the remainder of the term expiring September 30, 1983:

Carl W. Salser, of Oregon, vice Maria B. Cerda.

For terms expiring September 30, 1983:

J. Floyd Hall, of South Carolina, vice Alonzo A. Crim, term expired.

Donna Helene Hearne, of Missouri, vice Catharine C. Stimpson, term expired.

George Charles Roche III, of Michigan, vice Harold Howe II, term expired.

For terms expiring September 30, 1984:

M. Blouke Carus, of Illinois, vice Barbara S. Uehling, term expired.

Howard L. Hurwitz, of New York, vice Bernard C. Watson, term expired.

Onalee McGraw, of Virginia, vice Jon L. Harkness, term expired.

Penny Pullen, of Illinois, vice Tomas A. Arciniega, term expired.

Elaine Y. Schadler, of Pennsylvania, vice Harold L. Enarson, term expired.

For a term expiring September 30, 1985:

Donald Barr, of Connecticut (reappointment).

#### IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

##### To be lieutenant general

Lt. Gen. Robert Haldane, xxx-xx-xxxx (age 57), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

##### To be lieutenant general

Lt. Gen. Howard Francis Stone, xxx-xx-xx, U.S. Army.

#### IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of Section 531, Title 10, United States Code, with grades and dates of rank to be determined by the Secretary of the Air Force.

#### LINE OF THE AIR FORCE

Abel, Donald S., xxx-xx-xxxx  
 Abraham, John T., xxx-xx-xxxx  
 Abruzzese, Vincent A., xxx-xx-xxxx  
 Adams, David E., xxx-xx-xxxx  
 Ainsworth, Jon D., xxx-xx-xxxx  
 Akin, Barbara E., xxx-xx-xxxx  
 Aksomitas, Allyn, xxx-xx-xxxx  
 Alberico, David J., xxx-xx-xxxx  
 Albers, Lesley L., xxx-xx-xxxx

Alexander, Mary L., xxx-xx-xxxx  
 Allen, Elliott W., Jr., xxx-xx-xxxx  
 Allen, James Y., xxx-xx-xxxx  
 Alley, Anthony D., xxx-xx-xxxx  
 Allman, Clession D., xxx-xx-xxxx  
 Anders, Robert E., xxx-xx-xxxx  
 Andersen, Karen S., xxx-xx-xxxx  
 Andersen, Robert W., xxx-xx-xxxx  
 Anderson, Christopher G., xxx-xx-xxxx  
 Anderson, Cyde T., xxx-xx-xxxx  
 Anderson, Donna R., xxx-xx-xxxx  
 Anderson, James S., xxx-xx-xxxx  
 Anderson, John I., xxx-xx-xxxx  
 Anderson, Wayne W., xxx-xx-xxxx  
 Archuleta, Doran A., xxx-xx-xxxx  
 Artery, Jenny L., xxx-xx-xxxx  
 Aston, Theodore R., xxx-xx-xxxx  
 Audelo, Richard A., xxx-xx-xxxx  
 Avellaneda, Henry A., xxx-xx-xxxx  
 Avent, Frank V., IV, xxx-xx-xxxx  
 Baay, Dick, xxx-xx-xxxx  
 Bacon, Stephen B., xxx-xx-xxxx  
 Badurek, Darrell J., xxx-xx-xxxx  
 Baker, Larry L., xxx-xx-xxxx  
 Baker, William B., xxx-xx-xxxx  
 Barber, Lawrence C., xxx-xx-xxxx  
 Barker, Geoffrey B., xxx-xx-xxxx  
 Barnes, Kenneth F., xxx-xx-xxxx  
 Barnett, John S., Jr., xxx-xx-xxxx  
 Barr, Michael R., xxx-xx-xxxx  
 Barrett, Ernest J., xxx-xx-xxxx  
 Barth, Thomas L., xxx-xx-xxxx  
 Baucom, Terry L., xxx-xx-xxxx  
 Beard, Byron R., xxx-xx-xxxx  
 Beard, Michele L., xxx-xx-xxxx  
 Beard, Richard S., xxx-xx-xxxx  
 Beasley, George C., Jr., xxx-xx-xxxx  
 Behan, Patrick W., xxx-xx-xxxx  
 Bekebrede, Paul W., xxx-xx-xxxx  
 Bell, Constance E., xxx-xx-xxxx  
 Bell, Richard A., xxx-xx-xxxx  
 Bell, Thurman A., xxx-xx-xxxx  
 Benell, Roger D., xxx-xx-xxxx  
 Benson, Stephen L., xxx-xx-xxxx  
 Berger, Wilfred E., xxx-xx-xxxx  
 Berman, Edward B., xxx-xx-xxxx  
 Best, William J., xxx-xx-xxxx  
 Bibbs, Charles T., xxx-xx-xxxx  
 Bieker, Francis D., xxx-xx-xxxx  
 Birch, Harry K., xxx-xx-xxxx  
 Bird, Stephen A., xxx-xx-xxxx  
 Bjornstad, Jerry E., xxx-xx-xxxx  
 Black, Alexander Jr., xxx-xx-xxxx  
 Black, Donald G., xxx-xx-xxxx  
 Blackburn, Thomas D., Jr., xxx-xx-xxxx  
 Bleakney, Russell C., xxx-xx-xxxx  
 Blevins, Gerald C., xxx-xx-xxxx  
 Blum, Chet J., xxx-xx-xxxx  
 Blum, Robert G., xxx-xx-xxxx  
 Blume, Thomas J., xxx-xx-xxxx  
 Boggs, Barton A., xxx-xx-xxxx  
 Boivin, Charles F., II, xxx-xx-xxxx  
 Boma, Thomas V., xxx-xx-xxxx  
 Bond, John B., xxx-xx-xxxx  
 Bonds, Bruce A., xxx-xx-xxxx  
 Bonnett, George C., Jr., xxx-xx-xxxx  
 Borrmann, David W., xxx-xx-xxxx  
 Botello, Charles J., xxx-xx-xxxx  
 Botkins, Randall J., xxx-xx-xxxx  
 Bottomley, Richard H., xxx-xx-xxxx  
 Bower, Byard B., xxx-xx-xxxx  
 Bowker, Charles D., xxx-xx-xxxx  
 Boyda, Christopher L., xxx-xx-xxxx  
 Boyle, Nolan G., xxx-xx-xxxx  
 Bradford, William B., xxx-xx-xxxx  
 Brady, Glenn D., xxx-xx-xxxx  
 Branan, Mary E., xxx-xx-xxxx  
 Branin, Gordon W., xxx-xx-xxxx  
 Bray, Clifton L., Jr., xxx-xx-xxxx  
 Brindisi, Anthony E., xxx-xx-xxxx  
 Brinkley, William D., xxx-xx-xxxx  
 Brockhagen, Bruce G., xxx-xx-xxxx  
 Brockinton, Billy G., xxx-xx-xxxx  
 Brookings, Michael W., xxx-xx-xxxx

Brooks, Milo R., xxx-xx-xxxx  
 Brown, Stephen R., xxx-xx-xxxx  
 Browning, Richard, xxx-xx-xxxx  
 Brunner, Lyle A., xxx-xx-xxxx  
 Buchanan, Charles D., xxx-xx-xxxx  
 Buchwald, Joseph M., Jr., xxx-xx-xxxx  
 Buechler, James F., xxx-xx-xxxx  
 Bulach, Virgil J., xxx-xx-xxxx  
 Burch, Herbert K., xxx-xx-xxxx  
 Burke, Stephen L., xxx-xx-xxxx  
 Burns, Harry A., xxx-xx-xxxx  
 Burr, Beverly A., xxx-xx-xxxx  
 Bush, Thomas W., xxx-xx-xxxx  
 Cahoon, Rory B., xxx-xx-xxxx  
 Caldwell, Linda W., xxx-xx-xxxx  
 Cameron, John D., xxx-xx-xxxx  
 Campos, Gerald S. D., xxx-xx-xxxx  
 Campos, Ignacio, Jr., xxx-xx-xxxx  
 Cannon, James R., xxx-xx-xxxx  
 Carchidi, Robert P., xxx-xx-xxxx  
 Carey, William J., xxx-xx-xxxx  
 Carroll, Charles G., xxx-xx-xxxx  
 Carroll, Ray D., xxx-xx-xxxx  
 Carson, Russell W., xxx-xx-xxxx  
 Carter, Michael E., xxx-xx-xxxx  
 Carter, Richard S., xxx-xx-xxxx  
 Cash, James R., xxx-xx-xxxx  
 Castillo, Willie S., xxx-xx-xxxx  
 Cepuran, Jeffery, xxx-xx-xxxx  
 Chapman, Dale A., xxx-xx-xxxx  
 Chavez, Charles R., xxx-xx-xxxx  
 Cheatham, Harriet E., xxx-xx-xxxx  
 Chrisman, Michael J., xxx-xx-xxxx  
 Cicchetti, Paul, xxx-xx-xxxx  
 Cirafici, John L., xxx-xx-xxxx  
 Clark, Douglas C., xxx-xx-xxxx  
 Clark, James M., xxx-xx-xxxx  
 Clark, Mark S., xxx-xx-xxxx  
 Cleveland, Joseph A., xxx-xx-xxxx  
 Clift, William A., Jr., xxx-xx-xxxx  
 Clore, William E., xxx-xx-xxxx  
 Clutts, David W., xxx-xx-xxxx  
 Collins, Charles E., xxx-xx-xxxx  
 Collins, William C., xxx-xx-xxxx  
 Colman, James K., xxx-xx-xxxx  
 Colvin, Oscar Jr., xxx-xx-xxxx  
 Compton, Martin B., xxx-xx-xxxx  
 Compton, Melvin L., xxx-xx-xxxx  
 Conner, Steven R., xxx-xx-xxxx  
 Connors, Stephen P., xxx-xx-xxxx  
 Contant, Donald R., Jr., xxx-xx-xxxx  
 Conte, William A., xxx-xx-xxxx  
 Cook, David E., xxx-xx-xxxx  
 Cook, Paul D., xxx-xx-xxxx  
 Cook, Ronald L., xxx-xx-xxxx  
 Copponex, Louis S., Jr., xxx-xx-xxxx  
 Cottman, Preston L., xxx-xx-xxxx  
 Coulter, James L., xxx-xx-xxxx  
 Courtoy, James S., xxx-xx-xxxx  
 Cox, Stephen L., xxx-xx-xxxx  
 Cox, Thomas W., xxx-xx-xxxx  
 Craig, Paul S., Jr., xxx-xx-xxxx  
 Cramer, Michael J., xxx-xx-xxxx  
 Cranford, Danny G., xxx-xx-xxxx  
 Crase, Bradley A., xxx-xx-xxxx  
 Crawford, Alan E., xxx-xx-xxxx  
 Crevier, David L., xxx-xx-xxxx  
 Cruthirds, Silas R., Jr., xxx-xx-xxxx  
 Culclasure, John R., xxx-xx-xxxx  
 Curdy, David G., xxx-xx-xxxx  
 Cusac, Leslie S., xxx-xx-xxxx  
 Dagostino, Arthur R., xxx-xx-xxxx  
 Dahl, Kenneth W., xxx-xx-xxxx  
 Danby, James D. D., xxx-xx-xxxx  
 Daniel, Thomas K., xxx-xx-xxxx  
 Daniell, Wayne L., xxx-xx-xxxx  
 Danielson, Ronald C., xxx-xx-xxxx  
 Dapkus, Gerald P., xxx-xx-xxxx  
 Darien, Arthur, Jr., xxx-xx-xxxx  
 Davenport, Vernon L., xxx-xx-xxxx  
 Davis, Charles R., xxx-xx-xxxx  
 Davis, Gregory A., xxx-xx-xxxx  
 Davis, Pamela W., xxx-xx-xxxx  
 Davis, Robert, xxx-xx-xxxx

Delperdang, Ralph G., xxx-xx-xxxx  
 Delre, Thomas E., xxx-xx-xxxx  
 Deluca, Victor C., Jr., xxx-xx-xxxx  
 Despain, Donley L., Jr., xxx-xx-xxxx  
 Detrick, Andrew L., xxx-xx-xxxx  
 Devaney, Michael E., xxx-xx-xxxx  
 Devine, Kevin A., xxx-xx-xxxx  
 Dickman, David C., xxx-xx-xxxx  
 Didaleusky, Dennis G. J., xxx-xx-xxxx  
 Diesing, Jeffrey W., xxx-xx-xxxx  
 Dilk, Gary W., xxx-xx-xxxx  
 Dingwall, William H., xxx-xx-xxxx  
 Dodds, Wayne S., xxx-xx-xxxx  
 Doi, Alan J., xxx-xx-xxxx  
 Dolch, Larry W., xxx-xx-xxxx  
 Donatelli, David H., xxx-xx-xxxx  
 Dorre, Richard L., xxx-xx-xxxx  
 Dove, Herbert M., Jr., xxx-xx-xxxx  
 Dove, Philip W., xxx-xx-xxxx  
 Doxey, Kim M., xxx-xx-xxxx  
 Dozier, Don B., xxx-xx-xxxx  
 Drewry, Barzileee, xxx-xx-xxxx  
 Duechting, Jay C., xxx-xx-xxxx  
 Duell, Charles C., xxx-xx-xxxx  
 Duke, Lebert, xxx-xx-xxxx  
 Dula, William V., Jr., xxx-xx-xxxx  
 Dunn, Virginia L., xxx-xx-xxxx  
 Dunstan, Guy W., xxx-xx-xxxx  
 Durr, Michael R., xxx-xx-xxxx  
 Dutelle, Gary A., xxx-xx-xxxx  
 Duttry, Steven R., xxx-xx-xxxx  
 Duval, Philip R., xxx-xx-xxxx  
 Dybis, Timothy L., xxx-xx-xxxx  
 Dycus, Gary L., xxx-xx-xxxx  
 East, Belinda A., xxx-xx-xxxx  
 Eastman, Kenneth D., xxx-xx-xxxx  
 Eaves, Thomas J., Jr., xxx-xx-xxxx  
 Ebaugh, Bradley C., xxx-xx-xxxx  
 Echols, James C., xxx-xx-xxxx  
 Edingers, John R., xxx-xx-xxxx  
 Ellis, John S., xxx-xx-xxxx  
 Elmiger, George A., III, xxx-xx-xxxx  
 Enke, Stephen E., xxx-xx-xxxx  
 Epler, Tony K., xxx-xx-xxxx  
 Ernst, David L., xxx-xx-xxxx  
 Ervine, John P., xxx-xx-xxxx  
 Erwin, Michael E., xxx-xx-xxxx  
 Eudy, Eileen F., xxx-xx-xxxx  
 Evans, Edward C., xxx-xx-xxxx  
 Evilsizor, Stephen L., xxx-xx-xxxx  
 Eye, Douglas L., xxx-xx-xxxx  
 Eyestone, Richard L., xxx-xx-xxxx  
 Facey, Stanley J., xxx-xx-xxxx  
 Fauchaux, Jeffrey P., xxx-xx-xxxx  
 Fauth, Thomas A., xxx-xx-xxxx  
 Fay, John J., xxx-xx-xxxx  
 Fergen, Stewart T., xxx-xx-xxxx  
 Ferrera, Robert M., xxx-xx-xxxx  
 Fincher, Alva L., xxx-xx-xxxx  
 Fitzgerald, Raymond L., xxx-xx-xxxx  
 Fix, Rene C., Jr., xxx-xx-xxxx  
 Fletcher, Darrell C., xxx-xx-xxxx  
 Fouts, Charles S., xxx-xx-xxxx  
 Fox, Broughton B., xxx-xx-xxxx  
 Fox, Neal I., xxx-xx-xxxx  
 Franes, James M., xxx-xx-xxxx  
 Frank, Michael W., xxx-xx-xxxx  
 Franklin, Robert G., xxx-xx-xxxx  
 Frazee, Daniel H., xxx-xx-xxxx  
 Fredal, Danny, xxx-xx-xxxx  
 Frost, Charles B., xxx-xx-xxxx  
 Frost, Charles K., xxx-xx-xxxx  
 Fuentes, Luis F., xxx-xx-xxxx  
 Fuller, Roy W., xxx-xx-xxxx  
 Fulton, James P., xxx-xx-xxxx  
 Fuston, Timothy D., xxx-xx-xxxx  
 Gafford, Frederick F., Jr., xxx-xx-xxxx  
 Gaj, Thomas A., xxx-xx-xxxx  
 Gammell, Jeffrey G., xxx-xx-xxxx  
 Gampper, Phillip M., xxx-xx-xxxx  
 Ganaway, John F., III, xxx-xx-xxxx  
 Garcidelgado, Carlos L., xxx-xx-xxxx  
 Garner, Richard B., xxx-xx-xxxx  
 Garriss, Billy L., xxx-xx-xxxx



Gass, Gerald L., xxx-xx-xxxx  
 Gates, Karl W., xxx-xx-xxxx  
 Gaudreau, Adrien L., Jr., xxx-xx-xxxx  
 Gaze, Gregory, H., xxx-xx-xxxx  
 Gebhard, Edward P., xxx-xx-xxxx  
 Geck, Randolph F., xxx-xx-xxxx  
 Geigle, Steven J., xxx-xx-xxxx  
 Geoghegan, Michael S., xxx-xx-xxxx  
 George, William L., xxx-xx-xxxx  
 Gilbert, William T., Jr., xxx-xx-xxxx  
 Glaubach, Charles S., xxx-xx-xxxx  
 Glenboski, Ray A., xxx-xx-xxxx  
 Goldsmith, Rafael A., xxx-xx-xxxx  
 Golej, Thomas A., xxx-xx-xxxx  
 Goodman, John C., xxx-xx-xxxx  
 Goodman, Phillip W., xxx-xx-xxxx  
 Gordon, Craig A., xxx-xx-xxxx  
 Gordon, Neal D., Jr., xxx-xx-xxxx  
 Grabulis, Gary S., xxx-xx-xxxx  
 Graham, La Goge, W., xxx-xx-xxxx  
 Graham, Robert H., xxx-xx-xxxx  
 Graham, Scott L., xxx-xx-xxxx  
 Granade, Ben T., Jr., xxx-xx-xxxx  
 Grant, Douglas A., xxx-xx-xxxx  
 Grant, James F., xxx-xx-xxxx  
 Grant, John W., xxx-xx-xxxx  
 Graves, Robert A., xxx-xx-xxxx  
 Graves, Thomas E., xxx-xx-xxxx  
 Gray, John D., xxx-xx-xxxx  
 Gray, Stephen S., xxx-xx-xxxx  
 Graziano, Richard P., xxx-xx-xxxx  
 Greasley, Philip H., Jr., xxx-xx-xxxx  
 Green, George W., Jr., xxx-xx-xxxx  
 Greene, Traci M. M., xxx-xx-xxxx  
 Gregoire, Scott L., xxx-xx-xxxx  
 Gregory, John R., Jr., xxx-xx-xxxx  
 Griffiths, Calvin E., xxx-xx-xxxx  
 Griggs, Gerald R., xxx-xx-xxxx  
 Groke, Robert E., xxx-xx-xxxx  
 Gurecki, Daniel J., xxx-xx-xxxx  
 Gurny, Michael T., xxx-xx-xxxx  
 Haggarty, Daniel O., xxx-xx-xxxx  
 Hahn, Richard L., xxx-xx-xxxx  
 Hale, David A., xxx-xx-xxxx  
 Hall, Lynn C., xxx-xx-xxxx  
 Halstead, Edwin R., xxx-xx-xxxx  
 Hamilton, J. D., Jr., xxx-xx-xxxx  
 Hamilton, John F., Jr., xxx-xx-xxxx  
 Hammerle, Michael F., xxx-xx-xxxx  
 Hammes, David J., xxx-xx-xxxx  
 Hammond, Trent M., xxx-xx-xxxx  
 Hanle, Donald J., xxx-xx-xxxx  
 Hansen, Scott R., xxx-xx-xxxx  
 Hanson, Douglas R., xxx-xx-xxxx  
 Hanson, Robin L., xxx-xx-xxxx  
 Hardwick, David M., xxx-xx-xxxx  
 Hare, Tracy T., xxx-xx-xxxx  
 Hargrave, Robert L., Jr., xxx-xx-xxxx  
 Harmon, Steven J., xxx-xx-xxxx  
 Harris, Gerelene, xxx-xx-xxxx  
 Harris, Richard G., xxx-xx-xxxx  
 Harris, Robert W., xxx-xx-xxxx  
 Hart, Steven H., xxx-xx-xxxx  
 Hartig, Connie S., xxx-xx-xxxx  
 Hartikka, Dale M., xxx-xx-xxxx  
 Hartinger, James V., Jr., xxx-xx-xxxx  
 Harvey, Kim R., xxx-xx-xxxx  
 Harvey, Lois M., xxx-xx-xxxx  
 Hasebe, Thomas N., xxx-xx-xxxx  
 Haselrig, Alger E., Jr., xxx-xx-xxxx  
 Hatcher, James E., xxx-xx-xxxx  
 Havelka, Thomas E., xxx-xx-xxxx  
 Hawkins, Michael W., xxx-xx-xxxx  
 Hawley, Michael C., xxx-xx-xxxx  
 Hayes, Richard R., xxx-xx-xxxx  
 Heade, James T., xxx-xx-xxxx  
 Headley, Stephen A., xxx-xx-xxxx  
 Heinlein, Robert A., xxx-xx-xxxx  
 Helder, Simon L., xxx-xx-xxxx  
 Hellinger, Martha M., xxx-xx-xxxx  
 Helm, Arne E., xxx-xx-xxxx  
 Hemmitt, Rodney T., xxx-xx-xxxx  
 Henderson, Richard P., xxx-xx-xxxx  
 Hening, Richard S., xxx-xx-xxxx

Henion, James T., xxx-xx-xxxx  
 Henry, Richard A., xxx-xx-xxxx  
 Hensley, Sue R., xxx-xx-xxxx  
 Hergesell, Gregory L., xxx-xx-xxxx  
 Herman, Gregory D., xxx-xx-xxxx  
 Hernandez, Gilbert D., xxx-xx-xxxx  
 Hernandez, Joseph E., xxx-xx-xxxx  
 Herring, Grant F., xxx-xx-xxxx  
 Herrmann, Paul R., xxx-xx-xxxx  
 Hess, Robert N., xxx-xx-xxxx  
 Hester, Charles D., xxx-xx-xxxx  
 Hettinger, Steven D., xxx-xx-xxxx  
 Hetzler, William E., xxx-xx-xxxx  
 Heussner, Jeffrey S., xxx-xx-xxxx  
 Hilburn, Joseph M., Jr., xxx-xx-xxxx  
 Hill, Mary V., xxx-xx-xxxx  
 Hillstrom, David M., xxx-xx-xxxx  
 Himber, Stephen A., xxx-xx-xxxx  
 Hines, Jimmie, xxx-xx-xxxx  
 Hinton, Merle T., xxx-xx-xxxx  
 Hissem, Richard D., xxx-xx-xxxx  
 Hofacre, Gregory D., xxx-xx-xxxx  
 Holoviak, Samuel J., xxx-xx-xxxx  
 Hoiland, Douglas W., xxx-xx-xxxx  
 Holeman, Wilfred P., Jr., xxx-xx-xxxx  
 Holloway, Julia F., xxx-xx-xxxx  
 Holman, Charles C., xxx-xx-xxxx  
 Holmes, Sanford E., xxx-xx-xxxx  
 Holyfield, David W., III, xxx-xx-xxxx  
 Hooks, Richard C., xxx-xx-xxxx  
 Hooper, Thomas P., xxx-xx-xxxx  
 Hoover, Michael A., xxx-xx-xxxx  
 Horton, George G., xxx-xx-xxxx  
 Houchin, Richard E., xxx-xx-xxxx  
 Houser, Edward D., xxx-xx-xxxx  
 Houston, Henry J., xxx-xx-xxxx  
 Howell, Alan L., xxx-xx-xxxx  
 Howell, Richard K., xxx-xx-xxxx  
 Hudgins, Lewis W., Jr., xxx-xx-xxxx  
 Hulse, Randall G., xxx-xx-xxxx  
 Hunt, Donald H., xxx-xx-xxxx  
 Hunter, Arthur K., xxx-xx-xxxx  
 Hurd, John G., xxx-xx-xxxx  
 Hurley, William C., xxx-xx-xxxx  
 Hutchison, Roderick L., xxx-xx-xxxx  
 Illoreta, Arsenio R., xxx-xx-xxxx  
 Ilyko, Stephen J., xxx-xx-xxxx  
 Imondi, Anthony A., xxx-xx-xxxx  
 Jackson, Donald W., xxx-xx-xxxx  
 Jackson, Robert E., xxx-xx-xxxx  
 Jacob, Stephen A., xxx-xx-xxxx  
 Jaffe, David R., xxx-xx-xxxx  
 James, Robert L., xxx-xx-xxxx  
 Jamison, George L., xxx-xx-xxxx  
 Jarrett, Bruce D., xxx-xx-xxxx  
 Jawors, Mark S., xxx-xx-xxxx  
 Jay, Jeffery J., xxx-xx-xxxx  
 Jenkins, William H., II, xxx-xx-xxxx  
 Johnson, David S., xxx-xx-xxxx  
 Johnson, Donald M., Jr., xxx-xx-xxxx  
 Johnson, Gordon W., xxx-xx-xxxx  
 Johnson, Jesse J., Jr., xxx-xx-xxxx  
 Johnson, Kevin J., xxx-xx-xxxx  
 Johnson, Larry T., xxx-xx-xxxx  
 Johnson, Wendell, xxx-xx-xxxx  
 Jollett, Lewis D., xxx-xx-xxxx  
 Jones, Floyd G., III, xxx-xx-xxxx  
 Jones, Gaston L., xxx-xx-xxxx  
 Jones, Gregory D., xxx-xx-xxxx  
 Jones, Lester E., xxx-xx-xxxx  
 Jones, Phillip G., xxx-xx-xxxx  
 Jones, Robert A., xxx-xx-xxxx  
 Jordan, Michael A., xxx-xx-xxxx  
 Jorgensen, Jeffrey M., xxx-xx-xxxx  
 Joseph, Jan M., xxx-xx-xxxx  
 Jowdy, Marilyn M., xxx-xx-xxxx  
 Jung, Phillip, xxx-xx-xxxx  
 Juntikka, Mary J., xxx-xx-xxxx  
 Kalbrener, Scott O., xxx-xx-xxxx  
 Kane, Robert B., xxx-xx-xxxx  
 Karpach, Randall A., xxx-xx-xxxx  
 Kastner, Michael L., xxx-xx-xxxx  
 Kaufmann, William H., xxx-xx-xxxx  
 Kayl, Kenneth D., xxx-xx-xxxx

Kearney, Stephen L., xxx-xx-xxxx  
 Kearns, Donn K., xxx-xx-xxxx  
 Kehren, Paul A., xxx-xx-xxxx  
 Kehrner, Richard M., xxx-xx-xxxx  
 Keller, Frederick D., xxx-xx-xxxx  
 Kelley, Samuel K., xxx-xx-xxxx  
 Kemp, James W., xxx-xx-xxxx  
 Kemp, Roger A., xxx-xx-xxxx  
 Kempf, James M., xxx-xx-xxxx  
 Kempster, Mark A., xxx-xx-xxxx  
 Kennedy, Robert J., xxx-xx-xxxx  
 Kennemore, Dusty K., xxx-xx-xxxx  
 Kerbow, Steve L., xxx-xx-xxxx  
 Kerbs, Daniel H., Jr., xxx-xx-xxxx  
 Kern, Howard S., xxx-xx-xxxx  
 Kesusseyan, John A., xxx-xx-xxxx  
 Kirkpatrick, Eugene B., xxx-xx-xxxx  
 Klein, Janice E., xxx-xx-xxxx  
 Klonoski, Kenneth A., xxx-xx-xxxx  
 Knock, Marlin A., xxx-xx-xxxx  
 Koch, Gary D., xxx-xx-xxxx  
 Kolleda, Mark V., xxx-xx-xxxx  
 Koogler, Samuel M., xxx-xx-xxxx  
 Koozin, Walter, xxx-xx-xxxx  
 Kornovich, Willard M., Jr., xxx-xx-xxxx  
 Kough, Jeffrey J., xxx-xx-xxxx  
 Kramer, William A., xxx-xx-xxxx  
 Krause, Gary R., xxx-xx-xxxx  
 Kraushar, Charles M., xxx-xx-xxxx  
 Krauter, Kevin E., xxx-xx-xxxx  
 Krishack, John F., Jr., xxx-xx-xxxx  
 Kutzke, Jonathan H., xxx-xx-xxxx  
 Kweder, Glenn C., xxx-xx-xxxx  
 Labrato, Eugene R., xxx-xx-xxxx  
 Lackey, Robert J., xxx-xx-xxxx  
 Laforgia, Leonard A., xxx-xx-xxxx  
 Lange, Frederick K., xxx-xx-xxxx  
 Langkamer, Jacqueline R., xxx-xx-xxxx  
 Langkamer, James M., xxx-xx-xxxx  
 Lapierre, John E., Jr., xxx-xx-xxxx  
 Larivee, Keith W., xxx-xx-xxxx  
 Larson, Arthur C., xxx-xx-xxxx  
 Lasater, Bruce A., xxx-xx-xxxx  
 Latimer, Russell S., xxx-xx-xxxx  
 Lavoie, William H., xxx-xx-xxxx  
 Lawhorne, Dale M., xxx-xx-xxxx  
 Lawson, John B., xxx-xx-xxxx  
 Lawton, Darcy L., xxx-xx-xxxx  
 Lawton, Stephen W., xxx-xx-xxxx  
 Layne, Steven O., xxx-xx-xxxx  
 Lefler, Daniel P., Jr., xxx-xx-xxxx  
 Lenz, Robert A., xxx-xx-xxxx  
 Lenzi, David C., xxx-xx-xxxx  
 Leonard, Susan N., xxx-xx-xxxx  
 Leseberg, Mel C., xxx-xx-xxxx  
 Lewis, Bruce E., Jr., xxx-xx-xxxx  
 Lewis, Cynthia J., xxx-xx-xxxx  
 Lewis, Donald A., xxx-xx-xxxx  
 Lieb, John C., xxx-xx-xxxx  
 Lieber, William H., xxx-xx-xxxx  
 Lilly, Brian Thomas, xxx-xx-xxxx  
 Lim, Donald, xxx-xx-xxxx  
 Lineback, Giles S., xxx-xx-xxxx  
 Link, Michael A., xxx-xx-xxxx  
 Lintz, Terry G., xxx-xx-xxxx  
 Linyear, Howard L., Jr., xxx-xx-xxxx  
 Loftis, Benny C., xxx-xx-xxxx  
 Logan, Danny W., xxx-xx-xxxx  
 Logan, Glen T., xxx-xx-xxxx  
 Long, Benson A., xxx-xx-xxxx  
 Lopes, Craig J., xxx-xx-xxxx  
 Lopez, Antonio R., xxx-xx-xxxx  
 Lormand, Steve J., xxx-xx-xxxx  
 Loyd, John E., xxx-xx-xxxx  
 Lublinkwedlik, Ronald, xxx-xx-xxxx  
 Ludt, William G., xxx-xx-xxxx  
 Luginbuhl, Robert T., Jr., xxx-xx-xxxx  
 Lund, Donn N., xxx-xx-xxxx  
 Lundie, Robert S., xxx-xx-xxxx  
 Lutes, Gerald D., xxx-xx-xxxx  
 Luzzi, August S., xxx-xx-xxxx  
 Lynch, Michael K., xxx-xx-xxxx  
 Lynthgoe, Marilyn J., xxx-xx-xxxx  
 Macchia, Peter, Jr., xxx-xx-xxxx

Maddox, Janie L., xxx-xx-xxxx  
 Magazu, Domenic, II., xxx-xx-xxxx  
 Mainzer, James S., xxx-xx-xxxx  
 Malone, William K., xxx-xx-xxxx  
 Manahan, Gerald F., xxx-xx-xxxx  
 Manning, Richard A., xxx-xx-xxxx  
 Mansur, Minnis V., xxx-xx-xxxx  
 Marotta, Nicholas G., xxx-xx-xxxx  
 Martens, Marc S., xxx-xx-xxxx  
 Martin, George R., xxx-xx-xxxx  
 Mashburn, Elizabeth A., xxx-xx-xxxx  
 Masi, Michael A., xxx-xx-xxxx  
 Masotti, John W. B., xxx-xx-xxxx  
 Maternick, Chester R., xxx-xx-xxxx  
 Mature, Roger A., xxx-xx-xxxx  
 Matuszak, Leo W., Jr., xxx-xx-xxxx  
 Maurer, Kim, xxx-xx-xxxx  
 Maxon, Robert L., xxx-xx-xxxx  
 May, Marilyn A., xxx-xx-xxxx  
 Mayhew, Hubert N., Jr., xxx-xx-xxxx  
 Mayo, Leon, xxx-xx-xxxx  
 McAuliffe, David J., Jr., xxx-xx-xxxx  
 McCabe, Robert C., Jr., xxx-xx-xxxx  
 McCarter, Carlton G., xxx-xx-xxxx  
 McCarthy, Terrance J., xxx-xx-xxxx  
 McCarty, Michael R., xxx-xx-xxxx  
 McConeghy, James G., xxx-xx-xxxx  
 McConnell, Mark R., xxx-xx-xxxx  
 McConnell, Stephen L., xxx-xx-xxxx  
 McCormick, Donald J., xxx-xx-xxxx  
 McDevitt, Phillip A., xxx-xx-xxxx  
 McDonald, Lee A., xxx-xx-xxxx  
 McFadden William B., xxx-xx-xxxx  
 McGarry, Donald S., xxx-xx-xxxx  
 McGee, Victor W., xxx-xx-xxxx  
 McGuinness, Michael C., xxx-xx-xxxx  
 McGuire, Timothy M., xxx-xx-xxxx  
 McIntosh, John R. H., xxx-xx-xxxx  
 McIntyre, Ralph B., Jr., xxx-xx-xxxx  
 McLean, Bruce A., xxx-xx-xxxx  
 McQueen, Barry A., xxx-xx-xxxx  
 Meagher, Richard F., Jr., xxx-xx-xxxx  
 Mehlhaff, Edward C., xxx-xx-xxxx  
 Melton, David W., xxx-xx-xxxx  
 Menze, James K., xxx-xx-xxxx  
 Mercer, Ronald S., xxx-xx-xxxx  
 Merrow, Scott F., xxx-xx-xxxx  
 Meshako, Robert S., xxx-xx-xxxx  
 Meyer, Richard, xxx-xx-xxxx  
 Meyers, Ivan E., xxx-xx-xxxx  
 Michel, Charley L., xxx-xx-xxxx  
 Mielke, Robert W., xxx-xx-xxxx  
 Mika, James J., xxx-xx-xxxx  
 Millburn, Brian G., xxx-xx-xxxx  
 Miller, Laura E., xxx-xx-xxxx  
 Miller, Leslie S., xxx-xx-xxxx  
 Miller, Leslie W., xxx-xx-xxxx  
 Miller, Michael J., xxx-xx-xxxx  
 Miller, Neil S., xxx-xx-xxxx  
 Miller, Vernon A., xxx-xx-xxxx  
 Miller, William J., xxx-xx-xxxx  
 Mills, Joseph H., xxx-xx-xxxx  
 Mims, Eddie R. Jr., xxx-xx-xxxx  
 Mink, Leroy W., xxx-xx-xxxx  
 Minnich, Alan D., xxx-xx-xxxx  
 Mirtle, Roderick G., xxx-xx-xxxx  
 Misgen, Stephen D., xxx-xx-xxxx  
 Mixon, Phillip J., xxx-xx-xxxx  
 Miyaoka, Lester H., xxx-xx-xxxx  
 Mize, David L., xxx-xx-xxxx  
 Modzelesky, Arthur J., Jr., xxx-xx-xxxx  
 Moffett, Bruce N., xxx-xx-xxxx  
 Mohrmann, Henry W., III, xxx-xx-xxxx  
 Moore, Bradley A., xxx-xx-xxxx  
 Moore, Frederick R., xxx-xx-xxxx  
 Moore, Garry M., xxx-xx-xxxx  
 Moore, Richard E., xxx-xx-xxxx  
 Moore, Robert R., xxx-xx-xxxx  
 Moreman, Henry G., III, xxx-xx-xxxx  
 Morgan, Roy A., xxx-xx-xxxx  
 Morlier, Ronald P., xxx-xx-xxxx  
 Morrow, Edward E., Jr., xxx-xx-xxxx  
 Mueller, Raymond J., xxx-xx-xxxx  
 Muhn, Dennis J., xxx-xx-xxxx

Muirhead, Roger C., xxx-xx-xxxx  
 Mullen, Dann E., xxx-xx-xxxx  
 Mumford, Carey G., III, xxx-xx-xxxx  
 Murone, Ronald L., xxx-xx-xxxx  
 Murphy, John F., Jr., xxx-xx-xxxx  
 Murphy, Ronald K., xxx-xx-xxxx  
 Murray, Brent S., xxx-xx-xxxx  
 Murray, Ronald B., xxx-xx-xxxx  
 Myers, Danny R., xxx-xx-xxxx  
 Myers, Eugene D., xxx-xx-xxxx  
 Myers, Helen, xxx-xx-xxxx  
 Nagel, Charles E., xxx-xx-xxxx  
 Nagengast, Edward J., xxx-xx-xxxx  
 Nannestad, Steven J., xxx-xx-xxxx  
 Napoletano, Andrew P., xxx-xx-xxxx  
 Natoli, Thomas J., xxx-xx-xxxx  
 Nazario, Antonio, xxx-xx-xxxx  
 Neary, James E., xxx-xx-xxxx  
 Nelson, Arthur G., xxx-xx-xxxx  
 Nelson, Charles E., xxx-xx-xxxx  
 Nelson, Donald C., xxx-xx-xxxx  
 Neptune, Gerald E., Jr., xxx-xx-xxxx  
 Netro, Edward J., xxx-xx-xxxx  
 Neudorfer, Charles F., II, xxx-xx-xxxx  
 Neveu, Irwin L., Jr., xxx-xx-xxxx  
 Neville, Randall L., xxx-xx-xxxx  
 Nickell, Mark E., xxx-xx-xxxx  
 Nicolas, Angelito M., xxx-xx-xxxx  
 Nixon, Roy D., xxx-xx-xxxx  
 Noel, Danny E., xxx-xx-xxxx  
 Nolan, Kenneth J., Jr., xxx-xx-xxxx  
 Nolet, Richard S., xxx-xx-xxxx  
 Nordquist, David W., xxx-xx-xxxx  
 Normadin, Neil C., xxx-xx-xxxx  
 Novy, Dennis E., xxx-xx-xxxx  
 Noyes, George A., III, xxx-xx-xxxx  
 Nulla, Otto R., xxx-xx-xxxx  
 Null, Clinton D., xxx-xx-xxxx  
 Nunnalle, James B., xxx-xx-xxxx  
 Nuno, Bernardo, xxx-xx-xxxx  
 Oates, Constance, xxx-xx-xxxx  
 Obrecht, Jerry A., xxx-xx-xxxx  
 O'Connell, Brian W., xxx-xx-xxxx  
 Ofcarcik, Bruce J., xxx-xx-xxxx  
 Olbert, Douglas R., xxx-xx-xxxx  
 Olmstead, Robert C., xxx-xx-xxxx  
 Olsen, Douglas H., xxx-xx-xxxx  
 Oltman, Paul W., xxx-xx-xxxx  
 Oncale, Gary M., xxx-xx-xxxx  
 Ormston, Robert E., xxx-xx-xxxx  
 Ostrander, William F. L., xxx-xx-xxxx  
 Otto, David F. C., xxx-xx-xxxx  
 Owen, Ronny C., xxx-xx-xxxx  
 Owen, Thomas E., xxx-xx-xxxx  
 Pacella, John B., xxx-xx-xxxx  
 Palmer, Cody F., xxx-xx-xxxx  
 Palmer, David K., xxx-xx-xxxx  
 Palmer, Sterling K., xxx-xx-xxxx  
 Pang, Michael, xxx-xx-xxxx  
 Parayo, Rudolph A., xxx-xx-xxxx  
 Parent, Charles T., xxx-xx-xxxx  
 Parker, Glenn L., xxx-xx-xxxx  
 Parker, Robbert T., xxx-xx-xxxx  
 Parker, William E., III, xxx-xx-xxxx  
 Parrish, Arlan R., xxx-xx-xxxx  
 Paschkewitz, John J., xxx-xx-xxxx  
 Paulding, Ronald L., xxx-xx-xxxx  
 Peck, Thomas D., xxx-xx-xxxx  
 Pena, Glenn M., xxx-xx-xxxx  
 Pepin, Lester T., xxx-xx-xxxx  
 Perrone, Vincent J., xxx-xx-xxxx  
 Pesonen, Andrew P., xxx-xx-xxxx  
 Pestana, Mark E., xxx-xx-xxxx  
 Peterka, Charles F., xxx-xx-xxxx  
 Petkovich, Joel J., xxx-xx-xxxx  
 Petkunas, Dannie W., xxx-xx-xxxx  
 Pfarrer, Richard A., xxx-xx-xxxx  
 Phillips, Albert L., xxx-xx-xxxx  
 Phillips, Earl, xxx-xx-xxxx  
 Pitchford, Darryl N., xxx-xx-xxxx  
 Poe, Daniel K., xxx-xx-xxxx  
 Pollick, Robert F., xxx-xx-xxxx  
 Polson, Houston H., xxx-xx-xxxx  
 Poole, Roy A., xxx-xx-xxxx

Pope, James L., xxx-xx-xxxx  
 Porter, David W., xxx-xx-xxxx  
 Poulos, Thomas, Jr., xxx-xx-xxxx  
 Powell, Merrilee A., xxx-xx-xxxx  
 Powers, David J., xxx-xx-xxxx  
 Prentice-Hitchcock, Noreen, xxx-xx-xxxx  
 Presley, Rufus L., xxx-xx-xxxx  
 Preston, Edward L., xxx-xx-xxxx  
 Price, Dale E., xxx-xx-xxxx  
 Price, James D., xxx-xx-xxxx  
 Price, William S., xxx-xx-xxxx  
 Procko, Jay A., xxx-xx-xxxx  
 Prosek, Richard J., xxx-xx-xxxx  
 Prusak, Michael, xxx-xx-xxxx  
 Quasnitschka, Eric R., xxx-xx-xxxx  
 Quigley, Bruce M., xxx-xx-xxxx  
 Quigley, Mark S., xxx-xx-xxxx  
 Quinn, Michael J., xxx-xx-xxxx  
 Quinn, William J., xxx-xx-xxxx  
 Rachal, William T., xxx-xx-xxxx  
 Rachel, Danny E., xxx-xx-xxxx  
 Rader, James E., xxx-xx-xxxx  
 Rainey, James C., xxx-xx-xxxx  
 Ralphs, Richard J., xxx-xx-xxxx  
 Rambow, Danny A., xxx-xx-xxxx  
 Ratcliff, Phillip J., xxx-xx-xxxx  
 Ratliff, George E., Jr., xxx-xx-xxxx  
 Razer, Jerry R., xxx-xx-xxxx  
 Reed, Jack W., xxx-xx-xxxx  
 Reese, Robert A., xxx-xx-xxxx  
 Reeves, Samuel L., xxx-xx-xxxx  
 Regehr, David E., xxx-xx-xxxx  
 Reher, Raymond W., xxx-xx-xxxx  
 Reilly, David, xxx-xx-xxxx  
 Rencher, Don S., xxx-xx-xxxx  
 Renfro, Charles L., xxx-xx-xxxx  
 Revels, Paul H., xxx-xx-xxxx  
 Rhoades, Glenn E., Jr., xxx-xx-xxxx  
 Ribas, Fernando L., xxx-xx-xxxx  
 Ricci, James C., xxx-xx-xxxx  
 Rice, George M., xxx-xx-xxxx  
 Rich, Edna R., xxx-xx-xxxx  
 Richards, Lawrence K., xxx-xx-xxxx  
 Richards, Neil A., xxx-xx-xxxx  
 Ridenour, Wayne L., xxx-xx-xxxx  
 Riding, Dean S., xxx-xx-xxxx  
 Riggins, Susan L., xxx-xx-xxxx  
 Rizzo, Charles J., Jr., xxx-xx-xxxx  
 Roach, Jack L., xxx-xx-xxxx  
 Robert, Ronald K., xxx-xx-xxxx  
 Roberts, Michael V., xxx-xx-xxxx  
 Robertson, Charles D., xxx-xx-xxxx  
 Robertson, Troy D., xxx-xx-xxxx  
 Roediger, Carl F., xxx-xx-xxxx  
 Roether, Jeffrey A., xxx-xx-xxxx  
 Rogers, Robert A., xxx-xx-xxxx  
 Rogers, Roy W., xxx-xx-xxxx  
 Rogers, Warren C., Jr., xxx-xx-xxxx  
 Roller, James G., xxx-xx-xxxx  
 Root, Thomas A., xxx-xx-xxxx  
 Rosado, Artemio, xxx-xx-xxxx  
 Rurak, Ronald R., xxx-xx-xxxx  
 Ruff, Burton C., xxx-xx-xxxx  
 Runyan, Thomas W., xxx-xx-xxxx  
 Rush, Jessie T., xxx-xx-xxxx  
 Rush, Robert M., xxx-xx-xxxx  
 Rutledge, William A., xxx-xx-xxxx  
 Ryan, Dennis P., xxx-xx-xxxx  
 Rybacki, Andrew T., xxx-xx-xxxx  
 Sadler, Randy D., xxx-xx-xxxx  
 Sahut, Henry C. T., xxx-xx-xxxx  
 Saier, William E., xxx-xx-xxxx  
 Sasak, Robert E., xxx-xx-xxxx  
 Saunders, Percy L., Jr., xxx-xx-xxxx  
 Saunders, Reginald J., xxx-xx-xxxx  
 Savage, Robert G., xxx-xx-xxxx  
 Savana, Michael J., xxx-xx-xxxx  
 Scarborough, David A., xxx-xx-xxxx  
 Schaaf, Michael J., xxx-xx-xxxx  
 Schmidt, Robin J., xxx-xx-xxxx  
 Schnable, James J., xxx-xx-xxxx  
 Schomas, William P., xxx-xx-xxxx  
 Schramm, Kenneth G., xxx-xx-xxxx  
 Schretter, Lawrence F., xxx-xx-xxxx



Schroeder, Gary W., xxx-xx-xxxx  
 Schumacher, Max M., xxx-xx-xxxx  
 Schuppel, Joseph A., xxx-xx-xxxx  
 Schwenning, David R., xxx-xx-xxxx  
 Scott, Charles D., xxx-xx-xxxx  
 Scott, Donald R., Jr., xxx-xx-xxxx  
 Scott, Robert B., xxx-xx-xxxx  
 Scott, Wayne R., xxx-xx-xxxx  
 Seaton, Sherman D., xxx-xx-xxxx  
 Sedlacek, Donald J., xxx-xx-xxxx  
 Seeley, Richard A., xxx-xx-xxxx  
 Sell, Ruby A., xxx-xx-xxxx  
 Sennate, Keith H., xxx-xx-xxxx  
 Serangeli, Joseph K., xxx-xx-xxxx  
 Sexton, Jerry L., xxx-xx-xxxx  
 Sexton, Monty D., xxx-xx-xxxx  
 Shadden, Richard R., xxx-xx-xxxx  
 Shaffer, Alan A., xxx-xx-xxxx  
 Shank, Timothy A., xxx-xx-xxxx  
 Shelton, Eddie W., xxx-xx-xxxx  
 Sherer, Clement P., xxx-xx-xxxx  
 Sherwin, Kelly V., xxx-xx-xxxx  
 Shoemaker, Daniel E., xxx-xx-xxxx  
 Sierchio, James G., xxx-xx-xxxx  
 Simmons, Van D., xxx-xx-xxxx  
 Simms, Kevin M., xxx-xx-xxxx  
 Simon, Michael J., xxx-xx-xxxx  
 Simonson, Martin A., xxx-xx-xxxx  
 Simpson, Rick E., xxx-xx-xxxx  
 Siwik, Wayne J., xxx-xx-xxxx  
 Skrzyszowski, Robert E., xxx-xx-xxxx  
 Slack, Howard L., xxx-xx-xxxx  
 Slep, Shlomo S., xxx-xx-xxxx  
 Slone, Michael J., xxx-xx-xxxx  
 Slough, Steven L., xxx-xx-xxxx  
 Smilek, John M., xxx-xx-xxxx  
 Smiley, Randall K., xxx-xx-xxxx  
 Smith, Clifton L., xxx-xx-xxxx  
 Smith, Dana C., xxx-xx-xxxx  
 Smith, Emmitt G., xxx-xx-xxxx  
 Smith, Forrest P., xxx-xx-xxxx  
 Smith, Gregory D., xxx-xx-xxxx  
 Smith, John R. III, xxx-xx-xxxx  
 Smith, Lawrence H., xxx-xx-xxxx  
 Smith, Vaughn R., xxx-xx-xxxx  
 Smolin, Michael A., xxx-xx-xxxx  
 Smoot, Donald E., xxx-xx-xxxx  
 Smyth, Edward B., xxx-xx-xxxx  
 Snead, Daniel R., xxx-xx-xxxx  
 Snow, William T., xxx-xx-xxxx  
 Snyder, David E., xxx-xx-xxxx  
 Snyder, Larry D., xxx-xx-xxxx  
 Soares, Philip J., xxx-xx-xxxx  
 Soben, Robert S., xxx-xx-xxxx  
 Sordo, Oscar, xxx-xx-xxxx  
 Sorensen, Alan W., xxx-xx-xxxx  
 Souther, Stephen M., xxx-xx-xxxx  
 Spangler, Christian A., xxx-xx-xxxx  
 Spangler, Michael R., xxx-xx-xxxx  
 Spanier, Stewart H., xxx-xx-xxxx  
 Spence, Donnie C., xxx-xx-xxxx  
 Spencer, David A., xxx-xx-xxxx  
 Spencer, Gene A., xxx-xx-xxxx  
 Spero, Ronald H., xxx-xx-xxxx  
 Squeo, Anthony J., xxx-xx-xxxx  
 Staib, Donald L., xxx-xx-xxxx  
 Stauber, Ben Z., xxx-xx-xxxx  
 Stauffer, Michael E., xxx-xx-xxxx  
 Steele, John H., xxx-xx-xxxx  
 Stefoneck, Jeffrey A., xxx-xx-xxxx  
 Stein, John H., xxx-xx-xxxx  
 Steinkamp, David M., xxx-xx-xxxx  
 Stellar, Frank C., xxx-xx-xxxx  
 Stephens, David R., xxx-xx-xxxx  
 Sterling, Thomas J., Jr., xxx-xx-xxxx  
 Stevens, James R., xxx-xx-xxxx  
 Stewart, Bradley W., xxx-xx-xxxx  
 Stewart, Fredric G., xxx-xx-xxxx  
 Stewart, John R. III, xxx-xx-xxxx  
 Stimpson, Steven M., xxx-xx-xxxx  
 Stokes, Clyde M., Jr., xxx-xx-xxxx  
 Stone, Dallas R., xxx-xx-xxxx  
 Stone, Jerry L., xxx-xx-xxxx  
 Strother, Mark O., xxx-xx-xxxx  
 Struna, Matthew L., xxx-xx-xxxx  
 Suggs, Charles D., xxx-xx-xxxx

Sullivan, Timothy L., xxx-xx-xxxx  
 Sulver, James C., xxx-xx-xxxx  
 Summers, Donald L., Jr., xxx-xx-xxxx  
 Svendsen, Keith C., xxx-xx-xxxx  
 Swanson, Stanley O., xxx-xx-xxxx  
 Swartzwelder, John W., Jr., xxx-xx-xxxx  
 Szkil, Michael J., xxx-xx-xxxx  
 Tagert, Ronald R., xxx-xx-xxxx  
 Talkington, Gilbert J., xxx-xx-xxxx  
 Tallman, William C., xxx-xx-xxxx  
 Tankersley, Michael C., xxx-xx-xxxx  
 Tanner, Harold G., xxx-xx-xxxx  
 Tanouye, Larry Y., xxx-xx-xxxx  
 Tatum, Don W., xxx-xx-xxxx  
 Tatum, Stanley C., xxx-xx-xxxx  
 Taylor, Tracy A., xxx-xx-xxxx  
 Temple, Robert C., xxx-xx-xxxx  
 Templeton, Rodney G., xxx-xx-xxxx  
 Terrana, Steven W., xxx-xx-xxxx  
 Terrebonne, Leonard P., xxx-xx-xxxx  
 Terry, Kenneth E., xxx-xx-xxxx  
 Tezak, Linda L., xxx-xx-xxxx  
 Thayer, Arthur R., xxx-xx-xxxx  
 Thogersen, Steve A., xxx-xx-xxxx  
 Thomas, Jeffrey A., xxx-xx-xxxx  
 Thomas, Richard P., xxx-xx-xxxx  
 Thomas, William S., xxx-xx-xxxx  
 Thompson, Claude B., Jr., xxx-xx-xxxx  
 Thompson, Marcum L., xxx-xx-xxxx  
 Thornburg, Dale E., xxx-xx-xxxx  
 Thrash, Jimmy P., xxx-xx-xxxx  
 Tiaht, Harold, II, xxx-xx-xxxx  
 Tiedman, Louis J., Jr., xxx-xx-xxxx  
 Tigner, George T., xxx-xx-xxxx  
 Tippins, James L., xxx-xx-xxxx  
 Tlsty, Steven J., xxx-xx-xxxx  
 Tobin, Roy N., xxx-xx-xxxx  
 Tompkins, James A., xxx-xx-xxxx  
 Tovani, Lester M., xxx-xx-xxxx  
 Tower, Francis G., xxx-xx-xxxx  
 Tozier, Charles M., xxx-xx-xxxx  
 Trenor, Robert L., xxx-xx-xxxx  
 Trimble, John R., xxx-xx-xxxx  
 Troxel, Bruce R., xxx-xx-xxxx  
 Trudeau, Charles H., Jr., xxx-xx-xxxx  
 Tucker, Iler D., xxx-xx-xxxx  
 Turek, Gary L., xxx-xx-xxxx  
 Turk, Melba B., xxx-xx-xxxx  
 Turner, Kristin M., xxx-xx-xxxx  
 Underwood, Calvin L., xxx-xx-xxxx  
 Underwood, Kathryn P., xxx-xx-xxxx  
 Urive, Conrad, xxx-xx-xxxx  
 Urman, Walter T., xxx-xx-xxxx  
 Utterback, Loyd S., xxx-xx-xxxx  
 Vallimont, Joseph C., xxx-xx-xxxx  
 Vandalinda, Robert P., xxx-xx-xxxx  
 Vanderwall, John R., xxx-xx-xxxx  
 Vanlaak, James E., xxx-xx-xxxx  
 Vanrite, Robert R., xxx-xx-xxxx  
 Varner, David L., xxx-xx-xxxx  
 Vaughn, Alan J., xxx-xx-xxxx  
 Veith, Cary F., xxx-xx-xxxx  
 Veltri, Thomas F., xxx-xx-xxxx  
 Venus, James M., xxx-xx-xxxx  
 Veres, Michael L., xxx-xx-xxxx  
 Vincent, John C., xxx-xx-xxxx  
 Vincent, Robert E., xxx-xx-xxxx  
 Viray, Richard G., xxx-xx-xxxx  
 Vogel, Eric M., xxx-xx-xxxx  
 Vogelgesang, James A., xxx-xx-xxxx  
 Vonderhoff, Selden W., Jr., xxx-xx-xxxx  
 Vucic, David S., xxx-xx-xxxx  
 Vytlicil, Steven W., xxx-xx-xxxx  
 Wacker, Larry J., xxx-xx-xxxx  
 Waite, Richard D., xxx-xx-xxxx  
 Walden, David C., xxx-xx-xxxx  
 Waldrup, Travis G., xxx-xx-xxxx  
 Waldrup, David A., xxx-xx-xxxx  
 Wallace, James M., xxx-xx-xxxx  
 Wallace, Robert T., xxx-xx-xxxx  
 Walter, Martin J., xxx-xx-xxxx  
 Walzel, Gerald L., xxx-xx-xxxx  
 Warner, Helen J., xxx-xx-xxxx  
 Warren, James A., Jr., xxx-xx-xxxx  
 Wartgow, Jeffrey G., xxx-xx-xxxx  
 Warthen, Meade C., xxx-xx-xxxx

Waszczak, Charles A., xxx-xx-xxxx  
 Waterstreet, David L., xxx-xx-xxxx  
 Watson, Dennis H., xxx-xx-xxxx  
 Watson, Frank S., xxx-xx-xxxx  
 Watson, Nicholas W., xxx-xx-xxxx  
 Weart, Gregory S., xxx-xx-xxxx  
 Weathers, Richard B., xxx-xx-xxxx  
 Weaver, Steven L., xxx-xx-xxxx  
 Weitkam, Louis, Jr., xxx-xx-xxxx  
 Wells, Jerry D., xxx-xx-xxxx  
 Wendt, Gilbert M., xxx-xx-xxxx  
 Westfall, Philip J. L., xxx-xx-xxxx  
 Westmoreland, Daniel K., xxx-xx-xxxx  
 Wetterlin, David R., xxx-xx-xxxx  
 Wheatley, Joseph M., xxx-xx-xxxx  
 Wheeler, Gary J., xxx-xx-xxxx  
 Whicker, George A., xxx-xx-xxxx  
 Whitaker, Michael H., xxx-xx-xxxx  
 White, Billy R., xxx-xx-xxxx  
 White, James E., xxx-xx-xxxx  
 White, John R., xxx-xx-xxxx  
 White, Kathleen A., xxx-xx-xxxx  
 White, Marvin C., xxx-xx-xxxx  
 Whitlock, Timothy S., xxx-xx-xxxx  
 Whitson, Stephen S., xxx-xx-xxxx  
 Wida, Paul J., xxx-xx-xxxx  
 Wiley, Russell J., xxx-xx-xxxx  
 Will, Richard P., xxx-xx-xxxx  
 Willeck, Dennis G., xxx-xx-xxxx  
 Williams, Linda C., xxx-xx-xxxx  
 Williams, Lindsey T., xxx-xx-xxxx  
 Williams, Thomas B., xxx-xx-xxxx  
 Wilson, Allen P., xxx-xx-xxxx  
 Wilson, David L., xxx-xx-xxxx  
 Wilson, Steven M., xxx-xx-xxxx  
 Winfield, Rosie L., xxx-xx-xxxx  
 Wirtanen, Richard A., xxx-xx-xxxx  
 Wolfe, Kevin M., xxx-xx-xxxx  
 Wolfe, Larry H., xxx-xx-xxxx  
 Wood, Rexford O., xxx-xx-xxxx  
 Wood, Stuart R., xxx-xx-xxxx  
 Woodhull, Mark A., xxx-xx-xxxx  
 Woodring, Ronald W., xxx-xx-xxxx  
 Woods, Rosie M., xxx-xx-xxxx  
 Wooten, Vagola S., xxx-xx-xxxx  
 Worman, Wayne E., xxx-xx-xxxx  
 Wordsdale, Thomas R., xxx-xx-xxxx  
 Wright, Frederick L., xxx-xx-xxxx  
 Wright, Richard L., xxx-xx-xxxx  
 Wright, Robert L., xxx-xx-xxxx  
 Wu, Sally S. Y., xxx-xx-xxxx  
 Yarbrough, David E., xxx-xx-xxxx  
 Young, David, xxx-xx-xxxx  
 Young, Ronald E., xxx-xx-xxxx  
 Yucha, Stanley E., Jr., xxx-xx-xxxx  
 Zahrt, John W., xxx-xx-xxxx  
 Zane, Jerome D., xxx-xx-xxxx  
 Ziegenhorn, Ross A., xxx-xx-xxxx  
 Zilvinskis, Helen G., xxx-xx-xxxx  
 Zinck, George M., xxx-xx-xxxx

The following officers for appointment in the Regular Air Force, under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties indicated, and with grades and dates of rank to be determined by the Secretary of the Air Force.

## CHAPLAIN

Anderson, James R., xxx-xx-xxxx  
 Colton, Kenneth R., xxx-xx-xxxx  
 Echols, Charles W., xxx-xx-xxxx  
 Egan, John R., xxx-xx-xxxx  
 Glatts, Joseph M., xxx-xx-xxxx  
 Hadley, Robert W., xxx-xx-xxxx  
 Hamilton, Victor W., xxx-xx-xxxx  
 Hart, Raymond C., xxx-xx-xxxx  
 Montecalvo, Carlo F., xxx-xx-xxxx  
 Mulnix, John R., xxx-xx-xxxx  
 Nicholson, Patrick L., xxx-xx-xxxx  
 Olszyk, Thomas P., xxx-xx-xxxx  
 Robinson, Wallace H., xxx-xx-xxxx  
 Sandi, Thomas P., xxx-xx-xxxx  
 Schrum, Everett C., xxx-xx-xxxx  
 Schueller, Laverne L., xxx-xx-xxxx

Stryjewski, John J., xxx-xx-xxxx  
 Supa, Joseph, xxx-xx-xxxx  
 Wilbourne, Henry B., xxx-xx-xxxx  
 Zoshak, William H., xxx-xx-xxxx

## JUDGE ADVOCATE CORPS

Kuster, Robert L., xxx-xx-xxxx  
 Lehman, Alan F., xxx-xx-xxxx  
 Smith, Clyde A., Jr., xxx-xx-xxxx  
 Starr, Eddy M., xxx-xx-xxxx

## NURSE CORPS

Adams, Beth L., xxx-xx-xxxx  
 Ain Deborah, A. B., xxx-xx-xxxx  
 Allen, Cheryl A., xxx-xx-xxxx  
 Allen, Dale E., xxx-xx-xxxx  
 Allsup, Doris J., xxx-xx-xxxx  
 Arellanez, Mary C., xxx-xx-xxxx  
 Baer, Rebacca K., xxx-xx-xxxx  
 Bane, Wendy G., xxx-xx-xxxx  
 Beinborn, Dean M., xxx-xx-xxxx  
 Benefield, Nancy S., xxx-xx-xxxx  
 Bey, Barbara L., xxx-xx-xxxx  
 Bohnenkamp, Jan S., xxx-xx-xxxx  
 Boyle, Patricia E., xxx-xx-xxxx  
 Brauner, Melanie P., xxx-xx-xxxx  
 Bridge, Rhonda L., xxx-xx-xxxx  
 Brown, Margaret A., xxx-xx-xxxx  
 Burtner, Elizabeth, xxx-xx-xxxx  
 Campbell, Philip P., xxx-xx-xxxx  
 Carsten, George L., xxx-xx-xxxx  
 Clark, Christine M., xxx-xx-xxxx  
 Coleman, Hollis, xxx-xx-xxxx  
 Collins, Carole S., xxx-xx-xxxx  
 Cottrell, William J., Jr., xxx-xx-xxxx  
 Curtis, Ann P., xxx-xx-xxxx  
 Dabkowski, Edward J., xxx-xx-xxxx  
 Davis, Susan C., xxx-xx-xxxx  
 Dewoody, Marvis L., xxx-xx-xxxx  
 Dipentima, Richard T., xxx-xx-xxxx  
 Eaton, Kay A., xxx-xx-xxxx  
 Elliott, James E., xxx-xx-xxxx  
 Ellis, Steven L., xxx-xx-xxxx  
 Erickson, Marjorie J., xxx-xx-xxxx  
 Fisher, Melissa R., xxx-xx-xxxx  
 Flowers, Patricia E., xxx-xx-xxxx  
 Fontenot, Carolyn D., xxx-xx-xxxx  
 Francis, Laura C., xxx-xx-xxxx  
 Fraser, James D., xxx-xx-xxxx  
 Fullenkamp, Durelle B., xxx-xx-xxxx  
 Gagnon, Nancy B., xxx-xx-xxxx  
 Gilbert, Rebecca A., xxx-xx-xxxx  
 Gill, James D., xxx-xx-xxxx  
 Glaser, Mary I., xxx-xx-xxxx  
 Griffin, Ramona J., xxx-xx-xxxx  
 Helton, Karen K., xxx-xx-xxxx  
 Henderson, Linda F., xxx-xx-xxxx  
 Henry, Kathryn M., xxx-xx-xxxx  
 Hiller, Denise M., xxx-xx-xxxx  
 Huard, Janet L., xxx-xx-xxxx  
 Humphrey, Vicki L., xxx-xx-xxxx  
 Ikirt, Judy L. W., xxx-xx-xxxx  
 Janson, Deborah A., xxx-xx-xxxx  
 Johnson, Rebecca R., xxx-xx-xxxx  
 Karabin, Helen L., xxx-xx-xxxx  
 Kayes, Marvin B., xxx-xx-xxxx  
 Kenebrew, Linda L., xxx-xx-xxxx  
 Kittrell, John M., Jr., xxx-xx-xxxx  
 Knecht, Richard J., Jr., xxx-xx-xxxx  
 Kristensen, Elaine M., xxx-xx-xxxx  
 Laney, Cathy H., xxx-xx-xxxx  
 Ledzinski, Teresa A., xxx-xx-xxxx  
 Loseth, Judith A., xxx-xx-xxxx  
 Lubitz, Jeffrey, xxx-xx-xxxx  
 March, Polly L., xxx-xx-xxxx  
 McIndoe, Kathleen A., xxx-xx-xxxx  
 Merson, Brent G., xxx-xx-xxxx  
 Miller, Jane E., xxx-xx-xxxx  
 Miller, Rita L., xxx-xx-xxxx  
 Mitchell, Marilee A., xxx-xx-xxxx  
 Mitro, Edna J. K., xxx-xx-xxxx  
 Montgolf, Danny E., xxx-xx-xxxx  
 Mueggenborg, Brenda S., xxx-xx-xxxx  
 Murdock, Eric C., xxx-xx-xxxx  
 Ness, Patricia L., xxx-xx-xxxx  
 Nygaard, Lowell M., xxx-xx-xxxx  
 Olson, Virginia L., xxx-xx-xxxx  
 Omahoney, Andrea L., xxx-xx-xxxx

Ororke, Janice K., xxx-xx-xxxx  
 Paine, Lisa L., xxx-xx-xxxx  
 Plante, Denise L., xxx-xx-xxxx  
 Rank, Melissa A., xxx-xx-xxxx  
 Reeveshoche, Mary K., xxx-xx-xxxx  
 Richardson, Rita B., xxx-xx-xxxx  
 Roman, Patricia A., xxx-xx-xxxx  
 Rusch, Roxane, xxx-xx-xxxx  
 Russell, Michael E., xxx-xx-xxxx  
 Sabree, Michelle C., xxx-xx-xxxx  
 Sampson, Crystal R., xxx-xx-xxxx  
 Schlittler, Melamie A., xxx-xx-xxxx  
 Schobel, Deborah A., xxx-xx-xxxx  
 Schwartz, Judith M., xxx-xx-xxxx  
 Scialdo, Antonia, xxx-xx-xxxx  
 Scott, Richard W., xxx-xx-xxxx  
 Sells, Rudy H., xxx-xx-xxxx  
 Shak, Robin R., xxx-xx-xxxx  
 Shoemaker, Colleen L., xxx-xx-xxxx  
 Simmons, Linda M., xxx-xx-xxxx  
 Simpson, Donna L., xxx-xx-xxxx  
 Smith, Frankie G., xxx-xx-xxxx  
 Specht, Jean M., xxx-xx-xxxx  
 Stack, Judith E., xxx-xx-xxxx  
 Stephenson, Susan M., xxx-xx-xxxx  
 Stewart, Harry J., xxx-xx-xxxx  
 Sutton, Barbara C., xxx-xx-xxxx  
 Teal, Brenda C., xxx-xx-xxxx  
 Tripp, Sandra J., xxx-xx-xxxx  
 Vanderburg, Kathleen, xxx-xx-xxxx  
 Veal, Phyllis L., xxx-xx-xxxx  
 Vega, Sheila D., xxx-xx-xxxx  
 Verville, Michael C., xxx-xx-xxxx  
 Vonschlieder, Lynn A., xxx-xx-xxxx  
 Walker, Marilyn K., xxx-xx-xxxx  
 Ward, William F., III, xxx-xx-xxxx  
 Warren, Winnette, xxx-xx-xxxx  
 Welch, Bonnie J. S., xxx-xx-xxxx  
 Williams, Calvin W., xxx-xx-xxxx  
 Williams, Sarah E., xxx-xx-xxxx  
 Winters, Christine M., xxx-xx-xxxx  
 Wisniewski, Mark P., xxx-xx-xxxx  
 Yarnish, Mark W., xxx-xx-xxxx  
 Young, Catherine D., xxx-xx-xxxx

## MEDICAL SERVICE CORPS

Beam, William R., xxx-xx-xxxx  
 Bunker, Robert J., xxx-xx-xxxx  
 Cooper, Jeffrey W., xxx-xx-xxxx  
 Culfa, Joseph J., Jr., xxx-xx-xxxx  
 Derosa, George, xxx-xx-xxxx  
 Eckerman, Joseph G., xxx-xx-xxxx  
 Fye, Samuel P., xxx-xx-xxxx  
 Gelish, Anthony, xxx-xx-xxxx  
 Gugenberger, Albert A., xxx-xx-xxxx  
 Helvey, Charles V., xxx-xx-xxxx  
 Ingram, C. Jean, xxx-xx-xxxx  
 Joens, Keith L., xxx-xx-xxxx  
 Kolwitz, Susan E., xxx-xx-xxxx  
 Mahlum, Phillip L., xxx-xx-xxxx  
 Mallonee, Leslie L., Jr., xxx-xx-xxxx  
 Marsh, Richard D., xxx-xx-xxxx  
 Nelson, Frank L., xxx-xx-xxxx  
 Obenoskey, Milton T., xxx-xx-xxxx  
 Riccardi, Ralph J., Jr., xxx-xx-xxxx  
 Roberts, Melvin D., Jr., xxx-xx-xxxx  
 Rogers, Jim William, xxx-xx-xxxx  
 Scripture, Thomas J., xxx-xx-xxxx  
 Shelton, James W., II, xxx-xx-xxxx  
 Silvernail, Richard D., xxx-xx-xxxx  
 Snyder, Billy L., xxx-xx-xxxx  
 Triche, Gary J., xxx-xx-xxxx  
 Utterback, Meredith B., xxx-xx-xxxx  
 Wagner, Jonathan M., xxx-xx-xxxx  
 Walker, George B., Jr., xxx-xx-xxxx  
 Wood, Leslie M., xxx-xx-xxxx

## BIOMEDICAL SCIENCES CORPS

Adams, David C., xxx-xx-xxxx  
 Ainscough, Michael J., xxx-xx-xxxx  
 Barber, Jimmy L., xxx-xx-xxxx  
 Berberich, George L., xxx-xx-xxxx  
 Brennecke, Cornelius G., Jr., xxx-xx-xxxx  
 Bridges, Robert E., xxx-xx-xxxx  
 Buck, Joe A., xxx-xx-xxxx  
 Cheatham, James M., xxx-xx-xxxx  
 Cheney, Frank E., Jr., xxx-xx-xxxx

Childress, Terry A., xxx-xx-xxxx  
 Cotto, Miguel A., xxx-xx-xxxx  
 Cox, Lewis F., xxx-xx-xxxx  
 Eckburg, Eva M., xxx-xx-xxxx  
 Edwards, Dallas N., xxx-xx-xxxx  
 Fanton, John W., xxx-xx-xxxx  
 Forbes, Sherman Guy, III, xxx-xx-xxxx  
 Gengo, Pamela S., xxx-xx-xxxx  
 Gonzalez, Doris L., xxx-xx-xxxx  
 Hammond, Kurt A., xxx-xx-xxxx  
 Hanak, John R., xxx-xx-xxxx  
 Hobbs, Patricia A., xxx-xx-xxxx  
 Jenkins, Linda D., xxx-xx-xxxx  
 Klassy, Sandra S., xxx-xx-xxxx  
 Koehnlein, Virginia A., xxx-xx-xxxx  
 Lautman, Stephen M., xxx-xx-xxxx  
 Lillie, Thomas H., xxx-xx-xxxx  
 Lull, David C., xxx-xx-xxxx  
 Mahon, Daniel R., xxx-xx-xxxx  
 McClure, William K., xxx-xx-xxxx  
 McKenna, Robert J., xxx-xx-xxxx  
 Middleton, Timothy R., xxx-xx-xxxx  
 Odle, Randy T., xxx-xx-xxxx  
 Ohaver, Paul M., xxx-xx-xxxx  
 Page, Deborah S., xxx-xx-xxxx  
 Philpott, Timothy P., xxx-xx-xxxx  
 Postlewaite, Richard C., xxx-xx-xxxx  
 Pue, Howard L., xxx-xx-xxxx  
 Pugh, Richard G., xxx-xx-xxxx  
 Ricci, John L., xxx-xx-xxxx  
 Rogers, Linda K., xxx-xx-xxxx  
 Rudolph, James P., xxx-xx-xxxx  
 Sadowski, Robert W., xxx-xx-xxxx  
 Schutte, Richard J., xxx-xx-xxxx  
 Scott, James R., xxx-xx-xxxx  
 Sem, Steven R., xxx-xx-xxxx  
 Sipes, Walter E., xxx-xx-xxxx  
 Smitherman, Richard E., xxx-xx-xxxx  
 Spillers, Carol A., xxx-xx-xxxx  
 Sventek, Jeffrey C., xxx-xx-xxxx  
 Tallant, Steven H., xxx-xx-xxxx  
 Tinder, Jan M., xxx-xx-xxxx  
 Trahan, Donald E., xxx-xx-xxxx  
 Welenc, Paula A., xxx-xx-xxxx  
 York, William E., xxx-xx-xxxx  
 Young, James H., xxx-xx-xxxx

## IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grades and dates of rank to be determined by the Secretary of the Air Force.

## LINE OF THE AIR FORCE

Rose, Galen J., xxx-xx-xxxx  
 Walling, Darrell H., xxx-xx-xxxx

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with grades and dates of rank to be determined by the Secretary of the Air Force.

## CHAPLAIN

Keane, Thomas F., xxx-xx-xxxx

## NURSE CORPS

King, Maureen A., xxx-xx-xxxx  
 Sheeley, Juanita K., xxx-xx-xxxx

## WITHDRAWAL

Withdrawal received by the Secretary of the Senate June 2, 1982, under authority of the order of the Senate of May 27, 1982:

Richard H. Still, Jr., of Georgia, to be U.S. attorney for the northern district of Georgia for the term of 4 years vice William L. Harper, resigned, which was sent to the Senate on March 11, 1982.



# HOUSE OF REPRESENTATIVES—Tuesday, June 8, 1982

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

In days of serenity and peace, O God, we pray for Your abiding presence, and in times of anxiety, cause Your spirit to give us strength. We admit, O God, that we too often rely on our power, intellect, and insight. Yet, with all our ability we do not build the world we ought and we fall short of the glory of Your kingdom. Teach us to seek Your guidance, that with sensitivity of purpose and a cleansing of our will, we may truly be men and women reflecting the majesty of Your creation. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## STUDENT FINANCIAL AID—HIGH SCHOOL SENIORS

(Mr. PEYSER of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, yesterday, in the Wall Street Journal, the lead article was titled, "Clouded Dreams," and it really dealt with high school seniors today who are suddenly being faced with the realization that what Congress did a year ago on cutting back on education programs was really having an impact on them and that many were not going to be able to go to the college of their choice, in some cases not going to colleges at all.

Mr. Speaker, I think this is a tragedy. I think that Congress in its action in the next few days on the budget had better be very sure that we make absolutely no further cuts in the student programs, that we protect these young people so we, in this country, can really protect ourselves.

Let us stay with education as the strongest defense we have to protect this country and its future.

## THE WILDERNESS PROTECTION ACT OF 1982

(Mr. LUJAN of New Mexico asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUJAN. Mr. Speaker, Mr. SEIBERLING and I today are introducing the Wilderness Protection Act of 1982.

This act prohibits the production of oil and gas, mineral and geothermal resources in wilderness areas. It provides also for inventories to be carried on by nondestructive means in wilderness areas. It also provides that if the President finds that there is an urgent national need, that those areas can be opened up for development with the consent of the Congress.

Finally, it protects the existing rights of those who may have rights in this area. I would hope my colleagues would support such legislation.

## COMMUNICATION FROM HON. CHARLES ROSE, A MEMBER OF CONGRESS

The SPEAKER laid before the House the following communication from Hon. CHARLES ROSE, Member of Congress:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., June 7, 1982.

Hon. THOMAS P. O'NEILL, Jr.  
*Speaker of the House, House of Representatives, Washington, D.C.*

DEAR MR. SPEAKER: Pursuant to the provisions of Paragraph 2 of House Rule L(50), this is to notify you that a former employee of mine has been served with a deposition subpoena to testify or produce documents for things, issued from the United States District Court for the District of Columbia in *Impro Products, Inc. v. John B. Herrick, et al.*, Civil Action No. 78-235-2, a case pending in the Southern District of Iowa. The subpoena calls for production of documents and testimony related to the official functions of the House.

After I have reviewed the matter, and make the necessary determination under Paragraph 3 of Rule L(50), I will communicate them to you as required.

With best wishes,  
Sincerely,

CHARLIE ROSE.

## COMMUNICATION FROM HON. WALTER B. JONES, CHAIRMAN, COMMITTEE ON MERCHANT MARINE AND FISHERIES

The SPEAKER laid before the House the following communication from Hon. WALTER B. JONES, chairman, Committee on Merchant Marine and Fisheries:

HOUSE OF REPRESENTATIVES, COMMITTEE ON MERCHANT MARINE AND FISHERIES.

Washington, D.C., June 7, 1982.

Hon. THOMAS P. O'NEILL, Jr.  
*The Speaker of the House, House of Representatives, Washington, D.C.*

DEAR MR. SPEAKER: In compliance with Rule L of the Rules of the House of Representatives, I am notifying you that I have received a subpoena issued from the United States District Court of the District of Columbia for certain papers in the custody and control of the Committee on Merchant Marine and Fisheries.

Sincerely,

WALTER B. JONES,  
Chairman.

## ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, June 9, 1982.

## PATENT AND TRADEMARK OFFICE AUTHORIZATION

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6260) to authorize appropriations to the Patent and Trademark Office in the Department of Commerce, and for other purposes, as amended.

The Clerk read as follows:

H.R. 6260

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is authorized to be appropriated for the payment of salaries and necessary expenses of the Patent and Trademark Office to become available for fiscal year 1983, \$76,000,000, and in fiscal years 1984 and 1985 such sums as may be necessary as well as such additional or supplemental amounts as may be necessary, for increases in salary, pay, retirement, or other employee benefits authorized by law. Funds available under this section shall be used to reduce by 50 per centum the payment of fees under section 41 (a) and (b) of title 35, United States Code, by independent inventors and non-profit organizations as defined in regulations established by the Commissioner of Patents and Trademarks, and by small business concerns as defined in section 3 of the Small Business Act and by regulations established by the Small Business Administration. When so specified and to the extent provided in an appropriation Act, any amount appropriated pursuant to this section and, in addition, such fees as shall be collected pursuant to title 35, United States Code, and the Trademark Act of 1946, as

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

amended (15 U.S.C. 1051 et seq.), may remain available without fiscal year limitation.

SEC. 2. Notwithstanding any other provision of law, there is authorized to be appropriated for the payment of salaries and expenses of the Patent and Trademark Office, \$121,461,000 for the fiscal year ending September 30, 1982, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. (a) Section 41(a) of title 35, United States Code, is amended to read as follows: "(a) The Commissioner shall charge the following fees:

"1. On filing each application for an original patent, except in design or plant cases, \$300; in addition, on filing or on presentation at any other time, \$30 for each claim in independent form which is in excess of three, \$10 for each claim (whether independent or dependent) which is in excess of twenty, and \$100 for each application containing a multiple dependent claim. For the purpose of computing fees, a multiple dependent claim as referred to in section 112 of this title or any claim depending therefrom shall be considered as separate dependent claims in accordance with the number of claims to which reference is made. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

"2. For issuing each original or reissue patent, except in design or plant cases, \$500.

"3. In design and plant cases:

"a. On filing each design application, \$125.

"b. On filing each plant application, \$200.

"c. On issuing each design patent, \$175.

"d. On issuing each plant patent, \$250.

"4. On filing each application for the reissue of a patent, \$300; in addition, on filing or on presentation at any other time, \$30 for each claim in independent form which is in excess of the number of independent claims of the original patent, and \$10 for each claim (whether independent or dependent) which is in excess of twenty and also in excess of the number of claims of the original patent. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

"5. On filing each disclaimer, \$50.

"6. On filing an appeal from the examiner to the Board of Appeals, \$115; in addition, on filing a brief in support of the appeal, \$115, and on requesting on oral hearing before the Board of Appeals, \$100.

"7. On filing each petition for the revival of an unintentionally abandoned application for a patent or for the unintentionally delayed payment of the fee for issuing each patent, \$500, unless the petition is filed under sections 133 or 151 of this title, in which case the fee shall be \$50.

"8. For petitions for one-month extensions of time to take actions required by the Commissioner in an application:

"a. On filing a first petition, \$50.

"b. On filing a second petition, \$100.

"c. On filing a third or subsequent petition, \$200."

(b) Section 41(b) of title 35, United States Code, is amended to read as follows:

"(b) The Commissioner shall charge the following fees for maintaining a patent in force:

"1. Three years and six months after grant, \$400.

"2. Seven years and six months after grant, \$800.

"3. Eleven years and six months after grant, \$1,200.

Unless payment of the applicable maintenance fee is received in the Patent and Trademark Office on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of such grace period. The Commissioner may require the payment of a surcharge as a condition of accepting within such six-month grace period the late payment of an applicable maintenance fee. No fee will be established for maintaining a design or plant patent in force."

(c) Section 41(c) of title 35, United States Code, is amended to read as follows:

"(c)(1) The Commissioner may accept the payment of any maintenance fee required by subsection (b) of this section after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unavoidable. The Commissioner may require the payment of a surcharge as a condition of accepting payment of any maintenance fee after the six-month grace period. If the Commissioner accepts payment of a maintenance fee after the six-month grace period, the patent shall be considered as not having expired at the end of the grace period.

"(2) No patent, the term of which has been maintained as a result of the acceptance of a payment of a maintenance fee under this subsection, shall abridge or affect the right of any person or his successors in business who made, purchased or used after the six-month grace period but prior to the acceptance of a maintenance fee under this subsection anything protected by the patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased, or used. The court before which such matter is in question may provide for the continued manufacture, use or sale of the thing made, purchased, or used as specified, or for the manufacture, use or sale of which substantial preparation was made after the six-month grace period but before the acceptance of a maintenance fee under this subsection, and it may also provide for the continued practice of any process, practiced, or for the practice of which substantial preparation was made, after the six-month grace period but prior to the acceptance of a maintenance fee under this subsection, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced after the six-month grace period but before the acceptance of a maintenance fee under the subsection."

(d) Section 41(d) of title 35, United States Code, is amended to read as follows:

"(d) The Commissioner will establish fees for all other processing, services, or materials related to patents not specified above to recover the estimated average cost to the Office of such processing, services, or materials. The yearly fee for providing a library specified in section 13 of this title with uncanceled printed copies of the specifications and drawings for all patents issued in that year will be \$50."

(e) Section 41(f) of title 35, United States Code, is amended to read as follows:

"(f) The fees established in subsections (a) and (b) of this section may be adjusted by the Commissioner on October 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor. Changes of less than 1 per centum may be ignored."

(f) Subsection (a) of section 31 of the Trademark Act of 1946, as amended (15

U.S.C. 1113), is amended by deleting "Fees will be set and adjusted by the Commissioner to recover in aggregate 50 per centum of the estimated average cost to the Office of such processing. Fees for all other services or materials related to trademarks and other marks will recover the estimated average cost to the Office of performing the service or furnishing the material."

(g) Section 42(c) of title 35, United States Code, is amended by adding the following sentence at the end thereof: "Fees available to the Commissioner under section 31 of the Trademark Act of 1946, as amended (15 U.S.C. 1113), shall be used exclusively for the processing of trademark registrations and for other services and materials related to trademarks."

SEC. 4. Section 3(a) of title 35, United States Code is amended (1) by deleting the phrase "not more than fifteen"; and (2) by inserting the phrase "appointed under section 7 of this title" immediately after the phrase "examiners-in-chief".

SEC. 5. Section 111 of title 35, United States Code, is amended to read as follows:

"SEC. 111. Application for patent shall be made, or authorized to be made, by the inventor, except as otherwise provided in this title, in writing to the Commissioner. Such application shall include (1) a specification as prescribed by section 112 of this title; (2) a drawing as prescribed by section 113 of this title; and (3) an oath by the applicant as prescribed by section 115 of this title. The application must be accompanied by the fee required by law. The fee and oath may be submitted after the specification and any required drawing are submitted, within such period and under such conditions, including the payment of a surcharge, as may be prescribed by the Commissioner. Upon failure to submit the fee and oath within such prescribed period, the application shall be regarded as abandoned, unless it is shown to the satisfaction of the Commissioner that the delay in submitting the fee and oath was unavoidable. The filing date of an application shall be the date on which the specification and any required drawing are received in the Patent and Trademark Office."

SEC. 6. (a) Section 116 of title 35, United States Code, is amended (1) by deleting the phrase "Joint inventors" from the title and inserting in its place "Inventors"; and (2) in the third paragraph, by deleting the phrase "a person is joined in an application for patent as joint inventor through error, or a joint inventor is not included in an application through error" and inserting in its place the phrase "through error a person is named in an application for patent as the inventor, or through error an inventor is not named in an application."

(b) Section 256 of title 35, United States Code, is amended to read as follows:

"§ 256. Correction of named inventor

"Whenever through error a person is named in an issued patent as the inventor, or through error an inventor is not named in an issued patent and such error arose without any deceptive intention on his part, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate correcting such error.

"The error of omitting inventors or naming persons who are not inventors shall not invalidate the patent in which such error occurred if it can be corrected as provided in this section. The court before



which such matter is called in question may order correction of the patent on notice and hearing of all parties concerned and the Commissioner shall issue a certificate accordingly."

Sec. 7. Section 6 of title 35, United States Code, is amended by deleting paragraph (d) thereof.

Sec. 8. (a) Section 8(a) of the Trademark Act of 1946, as amended (15 U.S.C. 1058(a)), is amended (1) by deleting the word "still"; and (2) by inserting the phrase "in commerce" immediately after the word "use".

(b) Section 8(b) of the Trademark Act of 1946, as amended (15 U.S.C. 1058(b)), is amended (1) by deleting the word "still"; and (2) by inserting the phrase "in commerce" immediately after the word "use".

Sec. 9. (a) Section 13 of the Trademark Act of 1946, as amended (15 U.S.C. 1063), is amended (1) by deleting the phrase "a verified" and inserting in its place the word "an"; (2) by adding the phrase "when requested prior to the expiration of an extension" immediately after the word "cause"; and (3) by deleting the fourth sentence.

(b) Section 14 of the Trademark Act of 1946, as amended (15 U.S.C. 1064), is amended by deleting the word "verified".

Sec. 10. Section 15 of the Trademark Act of 1946, as amended (15 U.S.C. 1065), is amended by deleting the phrase "the publication" and inserting in its place the word "registration".

Sec. 11. The first sentence of section 16 of the Trademark Act of 1946, as amended (15 U.S.C. 1066), is amended to read as follows: "Upon petition showing extraordinary circumstances, the Commissioner may declare that an interference exists when application is made for the registration of a mark which so resembles a mark previously registered by another, or for the registration of which another has previously made application, as to be likely when applied to the goods or when used in connection with the services of the applicant to cause confusion or mistake or to deceive."

Sec. 12. Section 21 of title 35, United States Code, is amended—

(1) by deleting the phrase "Day for taking action falling on Saturday, Sunday, or holiday" from the title and inserting in its place the phrase "Filing date and day for taking action";

(2) by inserting the following as subsection (a):

"(a) The Commissioner may by rule prescribe that any paper or fee required to be filed in the Patent and Trademark Office will be considered filed in the Office on the date on which it was deposited with the United States Postal Service or would have been deposited with the United States Postal Service but for postal service interruptions or emergencies designated by the Commissioner."

(3) by designating the existing paragraph as subsection (b); and

(4) by inserting the word "federal" in subsection (b), as designated above, immediately after the word "a".

Sec. 13. Section 6(a) of title 35, United States Code, is amended (1) by deleting the word "and", third occurrence, and inserting in its place a comma; (2) by inserting the phrase "or exchanges of items or services" immediately after the word "programs"; and (3) by inserting the phrase "or the administration of the Patent and Trademark Office" immediately after the word "law", second occurrence.

Sec. 14. (a) Section 115 of title 35, United States Code, is amended by (1) deleting the

phrase "shall be" and inserting in its place the word "is"; and (2) inserting the following immediately after the phrase "United States", third occurrence: ", or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States".

(b) Section 261 of title 35, United States Code, is amended, in the third paragraph, by inserting the following immediately after the phrase "United States", third occurrence: ", or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States".

(c) Section 11 of the Trademark Act of 1946, as amended (15 U.S.C. 1061), is amended by (1) deleting the phrase "shall be", first occurrence, and inserting in its place the word "is"; and (2) inserting the following immediately after the phrase "United States", third occurrence: ", or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States".

Sec. 15. Section 13 of title 35, United States Code, is amended by deleting "(a) 9" and inserting in its place "(d)".

Sec. 16. Section 173 of title 35, United States Code, is amended to read as follows: "Patents for designs shall be granted for the term of fourteen years."

Sec. 17. (a) Sections 1, 2, 4, 7, and 13 through 15 of this Act shall take effect on the date of enactment of this Act. Sections 3 and 16 of this Act shall take effect on October 1, 1982. The maintenance fees provided for in section 3(b) of this Act shall not apply to patents applied for prior to the date of enactment of this Act. Each patent applied for on or after the date of enactment of this Act shall be subject to the maintenance fees established pursuant to section 3(b) of this Act or to maintenance fees hereafter established by law, as to the amounts paid and the number and timing of the payments.

(b)(1) Title 35, United States Code, is amended by inserting after section 293 the following new section of chapter 29:

"§ 294. Voluntary arbitration

"(a) A contract involving a patent or any right under a patent may contain a provision requiring arbitration of any dispute relating to patent validity or infringement arising under the contract. In the absence of such a provision, the parties to an existing patent validity or infringement dispute may agree in writing to settle such dispute by arbitration. Any such provision or agreement shall be valid, irrevocable, and enforceable, except for any grounds that exist at law or in equity for revocation of a contract.

"(b) Arbitration of such disputes, awards by arbitrators and confirmation of awards shall be governed by title 9, United States Code, to the extent such title is not inconsistent with this section. In any such arbitration proceeding, the defenses provided for under section 282 of this title shall be considered by the arbitrator if raised by any party to the proceeding.

"(c) An award by an arbitrator shall be final and binding between the parties to the arbitration but shall have no force or effect on any other person. The parties to an arbitration may agree that in the event a patent which is the subject matter of an award is subsequently determined to be invalid or unenforceable in a judgment rendered by a court to competent jurisdiction from which no appeal can or has been taken, such

award may be modified by any court of competent jurisdiction upon application by any party to the arbitration. Any such modification shall govern the rights and obligations between such parties from the date of such modification.

"(d) When an award is made by an arbitrator, the patentee, his assignee or licensee shall give notice thereof in writing to the Commissioner. There shall be a separate notice prepared for each patent involved in such proceeding. Such notice shall set forth the names and addresses of the parties, the name of the inventor, and the name of the patent owner, shall designate the number of the patent, and shall contain a copy of the award. If an award is modified by a court, the party requesting such modification shall give notice of such modification to the Commissioner. The Commissioner shall, upon receipt of either notice, enter the same in the record of the prosecution of such patent. If the required notice is not filed with the Commissioner, any party to the proceeding may provide such notice to the Commissioner.

"(e) The award shall be unenforceable until the notice required by subsection (d) is received by the Commissioner."

(2) The analysis for chapter 29 of title 35 of the United States Code is amended by adding at the end the following:

"294. Voluntary arbitration."

(c) Sections 5, 6, 8 through 12, and 17(b) of this Act shall take effect six months after enactment.

The SPEAKER. Pursuant to the rule, a second is not required on this motion.

The gentleman from Wisconsin (Mr. KASTENMEIER), will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. LUJAN), will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. KASTENMEIER).

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on May 11 the Committee on the Judiciary voted by unanimous voice vote to report favorably H.R. 6260, authorizing appropriations for the Patent and Trademark Office. The committee's action followed similar unanimous approval of the bill by the subcommittee handling copyright, patent, and trademark matters.

The reason for the strong committee support for this bill is that it reflects a bipartisan response to the needs of the Patent and Trademark Office.

The bill before you this afternoon is basically the proposal of the President with four changes designed to deal with serious criticisms raised during subcommittee hearings. First, the original administration proposal authorized the Commissioner of Patents and Trademarks to establish fees administratively. The subcommittee approved an amendment to set forth specific fees in the statute and limited the Commissioner's authority to raise fees. Second, the administration recommended that user fees recover 100 percent of the costs of actual processing of patents and trademarks. The sub-

committee amended the bill to reduce by 50 percent patent filing and maintenance fees for individual inventors, small businesses and not for profit institutions. The effect of this amendment is to increase by \$8 million the authorized appropriation which would have been provided under the original administration request. Third, the subcommittee adopted a recommendation of the Commissioner of Patents and Trademarks, the American Bar Association and a coalition of corporate patent counsel permitting arbitration of patent disputes.

Finally, during full committee consideration of the bill, an amendment by the gentleman from Massachusetts, Mr. FRANK, was adopted. His amendment grants to the Commissioner of Patents and Trademarks the discretion to establish the level of fees for processing of trademarks.

Mr. Speaker, enactment of this bill will reduce the current level of taxpayer support of the Patent and Trademark Office by \$21 million next year. At the same time the innovative fee provisions will permit an increase in the actual level of services available to users of the Office.

The bill before you reflects the contribution of witnesses from a cross section of the patent community. In developing H.R. 6260 we heard testimony from the Commissioner of Patents and Trademarks, the American Bar Association Section of Patent, trademark and copyright law, the American Patent Law Association, the Patent, Trademark, and Copyright Section of the State Bar of Virginia, the U.S. Trademark Association and the General Patent Counsel of the General Electric Corp.

I should add that the committee's amendments have all been agreed to by the administration.

Mr. Speaker, this is a bipartisan bill which will save the U.S. taxpayers over \$20 million next year alone. It deserves the support of all Members of the House and I urge its prompt passage.

I reserve the balance of my time.

The SPEAKER pro tempore (Mr. DONNELLY). The Chair recognizes the gentleman from New Mexico, (Mr. LUJAN).

● Mr. BUTLER. Mr. Speaker, I rise in support of H.R. 6260, a bill to authorize appropriations for the Patent and Trademark Office for fiscal years 1983 through 1985.

The problems that have plagued the Patent and Trademark Office and the users thereof are well documented. In his testimony, the Commissioner of Patents, Jerry Mossinghoff, indicated that during fiscal year 1981, 20,000 pending patent applications were added to an already huge backlog, bringing the total of pending applications to over 200,000 cases. Moreover, an estimated 6 percent to 7 percent of

the 24 million documents patent examiners must search to decide whether to issue a patent are either missing or misfiled. The trademark operation is in no better shape, with a record 116,000 cases pending and a wait of almost 2 years to register a trademark.

In an attempt to remedy this serious situation H.R. 6260 incorporates the administration's recommendation that user fees be increased to achieve 100 percent cost recovery for patent and trademark application processing. Given the fact that patent fees have remained unchanged since 1965, while inflation has soared, and that the users of the patent and trademark systems are the ones who benefit most directly from the services provided by the Patent and Trademark Office, the fee increases proposed in H.R. 6260 are I believe, reasonable, in these times of severe budgetary restraint.

In response to testimony from several witnesses that an increase in fees beyond what is contemplated in Public Law 96-517 would work a substantial hardship on independent inventors and small businesses, H.R. 6260 provides for a 50-percent reduction of all fees—filing, issuance, and maintenance—for independent inventors, small businesses, and nonprofit organizations. Initially, I was concerned that this two-tiered fee system would result in additional bureaucracy and increased costs. However, the Commerce Department and the Commissioner of Patents and Trademarks have made a convincing case that the two-tier system is workable and will require no additional resources to administer.

Pursuant to the provisions of H.R. 6260, the Patent and Trademark Office would rely exclusively on a self-certification that a patent applicant qualified as an independent inventor, small business, or nonprofit organization. Any false or fraudulent statement or misrepresentation by an applicant would be a crime under title 18, United States Code, section 1001, and the patent would be unenforceable.

In my opinion H.R. 6260 will go a long way toward providing an effective patent system operating around an efficient, properly funded Patent and Trademark Office. Accordingly, I urge my colleagues support for H.R. 6260, which is a high priority for the Reagan administration.●

● Mr. MCCLORY. Mr. Speaker, I rise in support of H.R. 6260, which authorizes appropriations for the Patent and Trademark Office for 3 years. The overall objective of this legislation which is strongly supported by the Reagan administration is to provide for 100 percent user support for the Patent and Trademark Office costs associated with the actual processing of patent applications by fiscal year 1996.

At the present time less than 25 percent of the actual costs of processing patent applications are supported by fee revenue and under Public Law 96-517, which becomes effective on October 1, 1982, this amount will gradually begin to rise but will only reach 50 percent of actual costs in 1996.

There are those who maintain that proposed fee increases will discourage individual inventors and small businesses from using the patent system. H.R. 6260 would clearly alleviate that concern in that it provides a 50-percent reduction in all patent fees for independent inventors, small businesses, and nonprofit organizations. By the same token, it is important to note that if the average \$85 filing fee and \$145 issue fee established in 1965 had been indexed to the Consumer Price Index, the filing issue fees during fiscal year 1983 through fiscal year 1985 would be higher than the estimated \$300/\$500 fees proposed in H.R. 6260.

Under H.R. 6260, the patent fees are specifically spelled out in the statute. The bill allows the Commissioner to adjust these fees on October 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous 3 years in the Consumer Price Index. Under this approach fees can be adjusted to keep up with increases in Patent and Trademark Office operational costs without Congress having to enact a new statutory fee schedule when operational costs outstrip existing fees.

H.R. 6260 is an important piece of legislation that I believe will greatly improve the quality and timeliness of patent and trademark production and services. I commend it to my colleagues and urge its passage.●

● Mr. IRELAND. Mr. Speaker, I rise in support of H.R. 6260. This bill which authorizes appropriation for the Patent and Trademark Office in the Department of Commerce is a very responsible approach to the costs of processing patents and trademarks considering our present budgetary constraints.

On behalf of the Nation's small business community I would like to thank the distinguished chairman of the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, Representative ROBERT KASTENMEIER and the members of his subcommittee. The bill stipulates that appropriated funds should be used to reduce by 50 percent the fees paid by independent inventors, nonprofit organizations, and small businesses.

I am pleased to see that the subcommittee recognized the great accomplishments of small business in the field of innovation. Small business has accounted for more than half of all scientific and technological development since the beginning of this cen-



tury. From safety razors with disposable blades to ice cream cones to zippers to bifocals to artificial heart valves to sliced breads—small business invented them.

It is very gratifying to those of us who serve on the Small Business Committee when we see other committees of the Congress becoming sensitive to the plight of small business. America needs its creative entrepreneurs. As I have often said, if America will save small business, small business will save America.●

Mr. LUJAN. Mr. Speaker, I yield back the balance of my time.

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KASTENMEIER) that the House suspend the rule and pass the bill, H.R. 6260, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the measure just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### WEB RURAL WATER DEVELOPMENT PROJECT

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4347), to authorize the Secretary of the Interior to proceed with development of the WEB pipeline, to provide for the study of South Dakota water projects to be developed in lieu of the Oahe and Pollock-Herred irrigation projects, and to make available Missouri basin pumping power to projects authorized by the Flood Control Act of 1944 to receive such power, as amended.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the WEB rural water development project, authorized by section 9 of the Rural Development Policy Act of 1980 (94 Stat. 1175), is reauthorized subject to the provisions of section 9 of that Act, as amended by section 2 of this Act. The Secretary of the Interior (hereinafter referred to as the "Secretary") is directed to proceed with the development of the WEB rural water development project, consistent with the terms and conditions of section 9(e) of that Act, as amended by section 2 of this Act, and to make available for immediate obligation any funds ap-*

propriated for such project for fiscal year 1981.

SEC. 2. Section 9 of the Rural Development Policy Act of 1980 is amended by—

(1) striking out in subsection (b) all after "the types of construction involved herein" and inserting a period in lieu thereof;

(2) striking out the first sentence of subsection (d); and

(3) striking out the first sentence of subsection (e) and inserting in lieu thereof the following: "The Secretary of the Interior shall use funds appropriated under this Act to provide financial assistance to plan and develop the WEB rural water development project under the terms and conditions of the Consolidated Farm and Rural Development Act and the rules and regulations promulgated by the Department of Agriculture under that Act, except to the extent such Act or rules or regulations promulgated thereunder are inconsistent with the provisions of this section."

SEC. 3. (a) The Secretary is authorized, in cooperation with the State of South Dakota, to conduct studies pursuant to this Act which shall include consideration of—

(1) alternate uses of facilities constructed for use in conjunction with the Oahe unit, initial stage, James division, Pick-Sloan Missouri River basin program, South Dakota;

(2) future uses in South Dakota of water delivered by the Garrison unit, Pick-Sloan Missouri River basin program, North Dakota; and

(3) a modified plan of development for the Pollock-Herred unit, South Dakota pumping division, Pick-Sloan Missouri River basin program, South Dakota, including alternative lands or a project of a smaller scale than that authorized by the Reclamation Authorization Act of 1975 (43 U.S.C. 615 1111).

(b) In formulating recommendations to Congress, the Secretary shall take into account the land inundated in the South Dakota under the Pick-Sloan Missouri basin program and the irrigation development authorized for South Dakota by the Flood Control Act of 1944.

(c) The Secretary shall report to Congress the findings of the studies, along with recommendations for disposition of the Oahe unit.

(d) The Secretary may contract with the State to carry out the studies authorized by this section.

(e) The studies performed and the reports made under this section shall be of reconnaissance, appraisal, or feasibility grade as is appropriate to determine whether further action on the development of the Secretary's recommendations is warranted.

SEC. 4. (a) The Secretary is authorized to cancel the master contract and participating and security contracts for the Oahe unit, initial stage: Provided, however, That such actions shall be done with the agreement of the Oahe Conservancy Subdistrict and the Spink and West Brown Irrigation Districts: And provided further, That any and all funds accumulated by the Oahe Conservancy Subdistrict under the master contract shall be refunded to or otherwise expended for the benefit of the taxpayers of the subdistrict; and that any repayment obligation existing at the time of cancellation of the master and security contracts shall thereafter be treated as a deferred cost of the Pick-Sloan Missouri basin program to be assumed by the beneficiaries of any future project which utilizes the Oahe unit facilities for which the repayment obligation was incurred.

(b) Those features of the authorized plan of development for the Oahe unit, initial stage, which were designed for and could be used only to deliver irrigation water to the Spink and West Brown irrigation districts namely: Faulkton, Cresbard, West Main, Redfield, James, and East Canals; Cresbard and Byron Dams and Reservoirs; James and Byron pumping plants; and associated features; shall not be constructed by the Secretary without further action by the Congress; but nothing in this Act shall be deemed to limit the authority of the Secretary to recommend development of other features, based upon the study authorized by section 3(a)(1) of this Act.

SEC. 5. The Secretary in cooperation with the Department of Energy, is authorized to make available the Missouri River basin program pumping power to new irrigation projects constructed by Indian tribes or by public entities organized under State law which have been authorized by the Flood Control Act of 1944 to receive such power. Such power shall be made available to the Grass Rope unit, Pick-Sloan Missouri basin program. In recognition of the legislative intent of the Pick-Sloan Missouri River basin program to provide project power to financially sound irrigation development, such power may also be made available at the Secretary's discretion for other such Federal, cooperative Federal, nonfederal irrigation projects, if requested by the Governor or an Indian tribe: *Provided*, That the Secretary determines the project to be economically and financially feasible and in compliance with applicable environmental laws, and submits such proposals to Congress subject to disapproval by joint resolution within ninety calendar days of continuous session of Congress after the date of submission of such proposals.

SEC. 6. Effective October 1, 1982, there are authorized to be appropriated such funds as may be necessary to carry out the provisions of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas (Mr. DE LA GARZA) will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4347, a bill to authorize the Secretary of the Interior to proceed with development of the WEB rural water development project that would provide water to 50 towns and about 30,000 people in the northern area of South Dakota.

First, however, Mr. Speaker, I feel it necessary to comment on the background, need and purpose of this legislation.

The economy of South Dakota is heavily dependent on agriculture and for years South Dakota suffered from disastrous floods from the Missouri River which caused considerable losses of life, livestock, crops and damage to soil. Recognizing these problems, Con-

gress enacted the Pick-Sloan Act in 1944 which initiated a program for the construction of a series of massive mainstream dams, resulting in the inundation of over a million acres of the upper basin States most agriculturally productive bottom lands, 500,000 acres of which were located in South Dakota.

In return for this sacrifice, South Dakota was to receive substantial irrigation development to stabilize and insure the long-term economic growth of the region. In 1968, Congress authorized the initial stage of the Oahe unit to assist in compensating South Dakota for the loss of its prime agricultural lands. Construction began in 1974. Problems at the local, State and Federal level, however, resulted.

The Rural Development Policy Act of 1980 authorized the appropriation of \$1.9 million for initial planning and construction of the WEB project. This sum was subsequently appropriated, but the use of the funds deferred until certain conditions were met: that legislation deauthorizing the Oahe unit be enacted by September 30, 1981. The original linkage of the WEB rural water development project with deauthorization of the Oahe unit was a precondition for support by the prior administration. H.R. 4347 reflects an agreement by all parties concerned, thus resolving the points in controversy.

The Rural Development Policy Act of 1980 also authorized the appropriation of an additional \$68.1 million for further planning and construction. However, this authorization lapsed on October 1, 1981. H.R. 4347 restores the authorization for appropriations.

In order to get a clearer assessment of future development to best serve the needs of the agriculture community of South Dakota, the bill authorizes the Secretary of the Interior to conduct studies—and report his findings to Congress—of certain South Dakota projects, such as, first, alternate uses of the Oahe unit facilities—initial stage; second, future South Dakota use of water delivered by the Garrison unit; and third, a modified plan of development for the Pollock-Herreid unit, including alternative lands or a project of a smaller scale than that authorized by the Reclamation Authorization Act of 1975. Under that act, the Bureau of Reclamation had determined that approximately 15,000 acres of land were necessary for irrigation purposes and to provide a water supply for municipal and industrial needs. However, the Bureau of Reclamation subsequently discovered that only 4,000 acres were irrigable. Therefore, the bill calls for a modified plan of a smaller project or alternative lands.

H.R. 4347 also authorizes the Secretary of the Interior, in cooperation with the Department of Energy, to

make available Missouri River Basin pumping power to new irrigation projects constructed by Indian tribes or by public entities authorized to receive such power by the Flood Control Act of 1944; in addition, such power is also made available, at the Secretary's discretion, to other Federal, cooperative Federal and non-Federal irrigation projects, if found to be economically and financially feasible, in compliance with environmental laws and approved by Congress.

CBO estimates the total cost of this legislation to be \$82.1 million, with 25 percent of that amount, about \$20.5 million, to go for loans under the Consolidated Farm and Rural Development Act provisions.

In closing, Mr. Speaker, I simply wish to remind my colleagues that it has been many years since South Dakota gave up thousands of acres of its highly productive agricultural lands to the U.S. Government for the flood control projects on the Missouri River Basin. They have patiently awaited compensation. H.R. 4347 is a compromise effort by the Federal Government to liquidate that obligation and carry out its part of the original agreement.

I ask all Members to join me in supporting enactment of H.R. 4347.

□ 1215

Mr. Speaker, I yield such time as he may consume to the gentleman from South Dakota (Mr. DASCHLE).

Mr. DASCHLE. Mr. Speaker, I am very grateful to the chairman for his cooperation and his support and for that of the Conservation, Credit Subcommittee chairman, Mr. JONES of Tennessee. I also want to express my sincere gratitude to the subcommittee chairman, the gentleman from Texas (Mr. KAZEN) and to the Chairman of the Interior and Insular Affairs Committee, Mr. UDALL. We have had remarkable cooperation from both committees in what is a very important piece of legislation for our State.

The bill really is no stranger to this Congress or to those committees. It was introduced as an amendment to authorize the WEB rural water system 2 years ago, and it passed unanimously. I think it is clear that we have that same kind of unanimous support this year. It passed with the same kind of overwhelming endorsement in both the Interior Committee and the Agriculture Committee earlier this year, and rightfully so.

The 1944 Flood Control Act has benefited millions of people, farmers, business, and communities in States south of the Dakotas, from Nebraska and Iowa to Texas and Louisiana. By damming the Missouri River, we have provided flood control and hydroelectric power nearly unparalleled anywhere in the country, but it has been

at a cost, a cost mainly incurred by the people of South Dakota.

We lost nearly 540,000 acres of productive farmland, we lost millions of dollars in revenue and taxes, and we lost population as farms and towns were abandoned in the last 30 years. And for the last 30 years our own people have been promised compensation. Initially that compensation was to take the form of an irrigation project entitled and when that proved to be unfeasible in 1976, our State and this Congress and now two administrations have worked to find alternatives. That effort began in 1980 with the passage of the first authorization of the WEB pipeline project in northeastern South Dakota. It is now culminating in our consideration of H.R. 4347 today.

H.R. 4347 is the product of a mutual effort among a wide diversity of people in our State, water organizations and water users, the Governor and the congressional delegation. At long last this legislation will provide desperately needed water to more than 30,000 of our people in our State.

In South Dakota WEB has been the subject of numerous studies from government to nongovernment organizations alike, and with each study it has proven to be extraordinarily feasible. It will mean the delivery of water now unavailable to so many people in the northeastern part of our State for the first time. They have been patient, they have been forthcoming, they have been in need of this project for far too long, and we need to pass this legislation right now.

The bill will also allow us to study other projects to be used in lieu of Oahe. It allows us to study alternative uses of the existing Oahe facilities. It allows us to study the future uses of water delivered by the Garrison unit to North Dakota. It allows us to study the modified plan of development for the Pollock-Herreid irrigation project, and it deauthorizes some of those original provisions first authorized in the Oahe project.

Mr. Speaker, I say to the Members of this House that there is no more important piece of legislation for the development of our water resources in our State than this, and I ask for its unanimous passage.

Mr. COLEMAN. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I am happy to yield to the gentleman from Missouri.

Mr. COLEMAN. Mr. Speaker, I appreciate the gentleman's yielding.

As the gentleman knows, in the development of this legislation and in discussions with him on other legislation now pending in the Congress, I have a concern for downstream States, the States of Missouri and Iowa and other States of the Missouri River Basin about transferring river water



by diversion, and using it in a coal slurry pipeline outside the Missouri River Basin. There is a sale of water from South Dakota to an energy transportation system which would use it for a coal slurry pipeline, for example.

I want to make sure of the intent of this legislation. I want to insure that it is the gentleman's intent that the studies which are authorized under section 3 of this legislation regarding the alternative uses and future uses and the modified plan, as described therein, involve only irrigation and domestic, municipal, or rural water development for consumption in the State of South Dakota.

Mr. DASCHLE. Mr. Speaker, I appreciate the gentleman's concern. He was instrumental to insuring that the legislation provide this guarantee, and certainly that is our intent.

This legislation deals only with projects specific to South Dakota and water development therein. It has nothing to do with basin transfer or any of the concerns expressed very legitimately by the gentleman from Missouri in the deliberations in committee.

Mr. COLEMAN. And so my statement is correct, and the answer to that question is that that is the gentleman's intent?

Mr. DASCHLE. That is my intent.

Mr. COLEMAN. Mr. Speaker, we have heard a lot from our colleagues from the State of South Dakota regarding the lack of benefits that they have received from the inundation of many acres in their State under the 1944 Flood Control Act, and I hope that the people of South Dakota are aware now that this project, the WEB pipeline project, is going to benefit them, and that this Member of Congress feels that the State of South Dakota and the South Dakotans have a legitimate right to utilize Missouri River water for domestic internal purposes in the State of South Dakota within reason.

So I stand to support the bill. We have worked out this language in an attempt to compromise, and I think it serves both parties well. But I think we have to address other issues regarding river water diversion in the future, and that that will have to be done by other committees in other legislation. I want to thank the gentleman from South Dakota for providing me the true congressional intent.

Mr. DASCHLE. Mr. Speaker, If the gentleman will allow me to use more time, I just want to emphasize again our specific intent with regard to this legislation, and let me make one final point before I yield back to our chairman.

That is that we do not in any way anticipate that this is the final word on water development in South Dakota. It is a tremendous start. It is a

very necessary start, but it leaves a great deal to be done as we consider the comprehensive water development needs of our State.

So, Mr. Speaker, as we pass this legislation, it is incumbent on us that we rededicate ourselves to further water development and further projects as the time goes on.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from South Dakota (Mr. ROBERTS).

Mr. ROBERTS of South Dakota. I rise in support of H.R. 4347, and ask unanimous consent to revise and extend my remarks, and submit extraneous material into the RECORD.

On July 30, 1981, I introduced H.R. 4347, a bill cosponsored by the entire South Dakota delegation, to provide for water development in South Dakota. My colleagues from South Dakota and I have worked together to make this bill a reality. We share a strong and sincere belief that this legislation embodies the wishes of the people of South Dakota to move ahead with water development in our State.

Following its introduction, I carried H.R. 4347 to the administration to obtain their support. Upon slight revision, I gained the full endorsements of the Department of the Interior, the Department of Agriculture, and the Office of Management and Budget for H.R. 4347.

This bill also enjoys overwhelming support, Mr. Speaker, in the State of South Dakota. The Governor and the State legislature have endorsed H.R. 4347, as have many of the cities and water development associations in the State.

Here in Congress, before both the Agriculture and the Interior Committees, we have extended the necessary assurances to our colleagues throughout the Missouri River Basin that H.R. 4347 will not affect their water supplies in any way.

H.R. 4347 with reauthorize the WEB rural water system to serve the domestic water needs of over 30,000 people in northern South Dakota. The WEB system participants have been waiting patiently since the project was originally authorized by this body in 1980.

The study section of H.R. 4347 will authorize a series of studies exploring the potential of water development in South Dakota. Those studies include: A reformulation of the Pollock-Herleid irrigation unit; the possible use of return flows from the Garrison diversion project in North Dakota for irrigation and domestic purposes in South Dakota; and the development of irrigation and municipal water uses in lieu of the now-defunct Oahe project. The latter study will explore the utilization of the facilities that were constructed for the Oahe project, at a cost of \$41 million, and never used. Specifically,

those facilities could be used for the CENDAK project, if proven feasible.

H.R. 4347 provides for the cancellation of the supporting and participating contracts on the Oahe project, which will assure that the project will not be built, as well as serve to lift the lien upon the project area lands.

Additionally, this bill prohibits the construction of the northern features of the Oahe project unless specifically directed otherwise by Congress.

The commitment made to South Dakota with the authorizing of the Oahe project remains alive, as this bill both retains that authorization and instructs the Secretary of Interior to remember the sacrifices made by South Dakota when almost 540,000 acres of our prime bottomland were permanently flooded upon the building of the Missouri River mainstem dams.

The original 1944 Flood Control Act provided that inexpensive hydropower would be available to South Dakota to facilitate the irrigation development that was promised to the State as our compensation for the flooded acres. H.R. 4347 provides for South Dakota's future use of that promised power as irrigation is developed.

Recently, the South Dakota Water Congress released a report on the history of the 1944 Flood Control Act and its accomplishments to date. I am, by unanimous consent, placing this report in the RECORD for the examination of my colleagues.

Mr. Speaker, for 40 years South Dakota has been promised much in the way of assistance for water development, all in the name of compensation for our past sacrifices. H.R. 4347 will be a major step toward the realization of those commitments, and I strongly urge its passage.

Thank you, Mr. Speaker.

The report to which I referred is as follows:

#### A LITTLE HISTORY 'DON'T' HURT

##### SOUTH DAKOTA WATER CONGRESS

James Watt has said he's likely the last U.S. Secretary of Interior who will have ever heard of the Pick-Sloan Plan. It is possible that some people who oppose South Dakota's water sale have never read it.

To place today's controversies concerning the Missouri River in perspective, it is important to review some of the history of the Pick-Sloan Plan that led to the major developments on the Missouri River.

##### EARLY FLOODING

Go back to the first recorded flood stage of 12 to 17 feet in 1844 or the severe flooding that occurred in 1881 and chronically through the 1920s. Because of these problems, Congress directed the Corps of Engineers to study ways in which these problems could be avoided. In 1927 the Corps of Engineers completed what is known as House Document 308, a 1,245-page description of methods of providing storage in the Missouri Basin to achieve flood control, irrigation, navigation and power development.

Clearly, however, the attention of the nation was not focused on water resources

development in those depression days of the late 1920s and 1930s and the gathering war clouds that afflicted Europe and Japan. Like so many things, the impetus for moving forward was only partially addressed when, under the leadership of President Franklin D. Roosevelt, the construction of the Fort Peck, Mont., dam began in 1933 as a public works project.

It took severe flooding once again in the early 1940s to refocus government attention. In 1943 it is recorded that seven feet of water covered the Omaha airport. It was then that national planners perceived that this continued disruption of the heartland of America that produced an enormous amount of its goods for the welfare of its citizens and comprised one-sixth of the land mass of the United States had to be addressed, if for no other reason than it posed a threat to the war effort of World War II.

#### A PLAN OF BENEFITS

Against that backdrop, then, two plans were advanced—one by Lewis Pick, who was the Missouri River division engineer, and later became the chief of engineers, and one by a regional engineer of the Bureau of Reclamation, W. Glen Sloan—to solve the problems of the Missouri River basin. From the marriage of these two proposals was born the Flood Control Act of 1944 which was later renamed the Pick-Sloan Plan in honor of the two gentlemen who authored the major elements of it.

The authorizing document of the Pick-Sloan Plan is Senate Document 191 that was considered Congress in April, 1944. That Senate document, along with House Document 475, identified navigation, flood control, irrigation, power production, the restoration of surface and ground water supplies, furnishing municipal water supplies, abatement of stream pollution, silt control, fish and wildlife preservation, and recreation as the key features of the 1944 Flood Control Act.

It's interesting to look at Senate Document 191 and understand the views of those persons involved at that time. According to Senate Document 191, it was to be "a plan for the conservation and control of the water reservoirs of the entire Missouri River Basin," a radical proposal for that day. It was predicated on "yield for the greatest good to the greatest number of people."

It proposed irrigation development for 5,307,700 acres of land in the Basin and 758,500 kilowatts of hydropower capacity. South Dakota's proposed share of that irrigation development was set at 972,510 acres.

#### WHO BENEFITTED FIRST?

The key to the development of the Pick-Sloan Project was probably most clearly enunciated by then Chief of Engineers, Maj. Gen. E. Reybold, who, in a letter to the

commissioner of Reclamation dated April 25, 1944, stated in part:

"Since reservoirs on the mainstem are the most beneficial from the standpoint of flood control below Sioux City and are vitally needed for cyclic storage, I consider the maximum practical amount of storage must be provided on the mainstem in North and South Dakota."

This, then, clearly outlined the major tradeoffs in the development of the Pick-Sloan Plan and it is important to remember that these are the same sort of issues that are still being debated today.

What were those tradeoffs?

#### FLOOD STORAGE, IRRIGATION

First, trade reservoir storage space by permanently flooding large areas of South Dakota, North Dakota and Montana to accommodate flood control in return for irrigation development in these upper basin states. South Dakota, for example, permanently flooded over 500,000 acres of Missouri River bottomlands in order to do their part in the development of the Pick-Sloan Plan.

#### NAVIGATION NOT A PRIORITY

The second major tradeoff concerned the same type of upstream versus downstream fight seen today, but was centered primarily on the use of water for such things as irrigation and power production versus downstream navigation. This conflict was resolved by a key amendment to the act, known as the O'Mahoney-Milliken Amendment, which stated:

"The use for navigation, in connection with the operation and maintenance of such works herein authorized for construction of waters arising in states lying wholly or partly west of the 98th meridian shall be only such use as does not conflict with any beneficial consumptive use, present or future, in the states lying wholly or partly west of the 98th meridian, of such waters for domestic, municipal, stock water, irrigation, mining or industrial purposes."

Iowa lies wholly east of the 98th meridian. This key amendment broke the deadlock between upstream and downstream states by guaranteeing water use by those upstream states—not just a chance to look at large reservoirs.

#### HYDROPOWER TO BE SHARED

The third major tradeoff or feature of the Pick-Sloan Plan was that the hydropower developed would be shared among the states of the Basin, without regard to the location of those plants which would produce that power.

Navigation.—Another major beneficiary of the construction of the mainstem dams has been navigation with the maintenance of a nine-foot-deep, 300-foot-wide channel that provides an eight-month barge season, in recent years allowing over three million

tons of commodities annually to be shipped from Sioux City on south. Approximately one-third of those commodities has been farm produce.

Recreation.—Recreation on the Missouri River furnished 10 million visitor days in 1981, and wildlife has been enhanced.

With that record, then, why is there this new interest and conflict?

It dates, perhaps, from 1973 and the beginning of the oil crises, prompting major energy corporations to look at the Missouri River as a water source for future energy development. Like it or not, this region is blessed in Wyoming, North Dakota and Montana with enormous amounts of coal which in order to be used needs enormous amounts of water. The U.S. Bureau of Reclamation, in their 1977 Water for Energy study, estimated that one million acre feet could be made available for the purposes of energy development without affecting the other uses on the river.

While there has been an uproar lately about the amount of water being used for industrial purposes—the most famous of which is the sale by the state of South Dakota of 50,000 acre feet of water to Energy Transportation Systems, Inc. for coal slurry pipeline—there is presently less than 100,000 acre feet of water that is permitted to major energy users. Compare that with the Corps of Engineers estimate of evaporation losses on the six mainstem reservoirs of one to 2.5 million acre feet annually.

Nonetheless, it raises questions—questions which should be addressed in the context of history.

Issues that cause conflicts between upstream and downstream states in the Basin are not new. They may be created by different and changing pressures, but they are not new. In the past, the conflicts were settled by compromise, negotiation and an overall view, to quote Senate Document 191, to "yield the greatest good to the greatest number of people." It is our responsibility at the state and federal level to pursue this goal.

South Dakota must look to the Missouri River and how it can use what it believes is a fair and yet modest entitlement to foster some state development of municipal water supplies, rural water systems and state irrigation projects. These modest efforts do not in any way relieve the significant federal obligation to South Dakota as its part of the Pick-Sloan "deal."

South Dakota has benefitted from the Missouri River—but in terms of overall concept and major benefits that have occurred as a result of that development, South Dakota has come up short. So short in fact, that in some respects downstream states have benefitted more by accident than South Dakota has by design.

	Acres lost to reservoirs <sup>1</sup>	Acres irrigation promised <sup>2</sup>	Acres irrigation developed <sup>3</sup>	Firm power entitlement <sup>4</sup> (in percent)	Direct navigation benefits	Flood control benefits
Montana.....	590,097	1,313,930	76,200	8.1	No	No
N. Dakota.....	584,060	1,266,440	9,000	12.2	No	No
S. Dakota.....	520,390	972,510	24,100	22.3	No	No
Iowa.....	0	0	0	14.6	Yes	Yes
Minnesota.....	0	0	0	24.2	No	No
Nebraska.....	15,162	1,009,375	222,800	18.6	Yes	Yes
Kansas.....	0	193,490	72,600	0	Yes	Yes
Missouri.....	0	0	0	0	Yes	Yes
Wyoming.....	0	448,960	158,100	0	No	No
Colorado.....	0	102,999	0	0	No	No
Total.....	1,673,709	5,307,704	562,800	100.0		* \$1,489,000,000

<sup>1</sup> Real Estate Division, Army corps of Engineers, Omaha District.

<sup>2</sup> Senate Document 191, May 5, 1944, p. 23.

<sup>3</sup> Table 1, Section III, Customer Brochure, February, 1982, Western Area Power Administration.

<sup>4</sup> Western Area Power Administration.

\* Corps of Engineers, Missouri River Division 1980-81 Annual Operating Plan, p. 39.



Mr. COLEMAN. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of South Dakota. Certainly, I yield to the gentleman from Missouri.

Mr. COLEMAN. Mr. Speaker, I appreciate the gentleman's yielding.

I would propound the same colloquy I had with the other gentleman from South Dakota.

Is it the gentleman's intention, under the studies authorized in section 3, to study the impact of the alternative uses, the future uses, and the modified plan described therein, that such studies would involve only irrigation and domestic and municipal and rural water consumption in the State of South Dakota?

Mr. ROBERTS of South Dakota. Mr. Speaker, I thank the gentleman for that question.

I am certainly in agreement with my colleague, the gentleman from South Dakota, that we are certainly just looking at development within South Dakota, and we certainly understand the gentleman's concerns for the people in his area. We appreciate his hard work in helping us get this bill before the floor in a way and in a form that is acceptable.

Mr. COLEMAN. So that is the gentleman's intent?

Mr. ROBERTS of South Dakota. That is correct.

Mr. COLEMAN. It is his intent to so limit it?

Mr. ROBERTS of South Dakota. Yes.

Mr. COLEMAN. Mr. Speaker, I appreciate the gentleman's yielding.

Mr. LUJAN. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. COLEMAN).

Mr. COLEMAN. Mr. Speaker, I would like to point out that for the first time we have in this legislation a requirement that there be a study that will be balanced by the Secretary in determining these uses and the use of the Missouri River water.

In the past we have seen that such studies have always been limited in scope dealing with the effect on the State that is the source of this water, this being the State of South Dakota.

□ 1230

For the first time we have asked that these studies be balanced and that recommendations in these studies authorized under section 3 are going to have to show the availability of water for use and consumption in other States in the Missouri River Basin.

Those of us in downstream States many times are overlooked in the process of planning and construction of various water resource projects, and this legislation I think sets a precedent. We and our interests will not be

overlooked in the future and these studies will be balanced with the needs of downstream users, which are very important.

So this is a step in the right direction. It was an amendment that I offered and which was adopted in committee report language. I think it is very clear that the Secretary is going to have to balance his approach in any studies made under section 3.

Mr. BEDELL. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to my friend, the gentleman from Iowa.

Mr. BEDELL. I would like to commend the gentleman for his statement and for his concerns that he has expressed. I would like to state to the gentleman that a lot of the water does not start from South Dakota; indeed, a lot of the water that we are talking about starts way upstream from South Dakota.

Mr. COLEMAN. The gentleman is very active in this area, and we are working together to make sure the downstream interests are heard and that we put together a coherent water policy for the Missouri River basin.

Mr. DE LA GARZA. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. KAZAN), who is chairman of the Subcommittee on Water and Power Resources of the Committee on Interior and Insular Affairs, and who shares jurisdiction with us on this legislation.

Mr. KAZAN. I thank the gentleman for yielding.

Mr. Speaker, H.R. 4347 reauthorizes the WEB water development project in the State of South Dakota. This is a rural water delivery project which will be constructed under the jurisdiction of the Bureau of Reclamation. The principal feature will be a pipeline which will deliver water for municipal and domestic use to serve approximately 30,000 people and 50 rural communities in South Dakota.

The WEB pipeline was authorized by Public Law 96-355. The act authorized the appropriation of \$1,900,000 to the Secretary of the Interior for fiscal year 1981 for initial planning and construction. The money has been appropriated, but not yet expended.

Public Law 96-355 also authorized the appropriation of \$68,100,000 to the Secretary of the Interior for actual construction of the project. The money, however, under that act was to be transferred to the Secretary of Agriculture when appropriated. This has been changed in H.R. 4347 to provide for construction of the project by the Secretary of the Interior, but in compliance with the provisions of the Consolidated Farm and Rural Development Act. Also, the act made the authorization contingent upon the deauthorization of the Oahe unit of the

Pick-Sloan Missouri River basin project by September 31, 1981. Such deauthorizing legislation was not enacted, partly because the deauthorization of the unit would leave in limbo certain features which have already been constructed.

The Oahe unit was originally authorized to partially compensate the State of South Dakota for lands in that State which were inundated by a series of dams constructed on the main stream of the Missouri River to furnish flood control and hydroelectric power to downstream States.

Construction on the initial stage of the Oahe unit was started in 1974, but discontinued in 1977 after the project lost local support and when it appeared that the cost of the project, which would not be approximately \$900 million, would not be justified.

H.R. 4347 represents 3 years of work by the South Dakota congressional delegation to arrive at an alternative to the construction of the Oahe unit which would benefit the rural economy of that State as the Oahe unit was to have done.

Mr. Speaker, I want to emphasize that H.R. 4347 is a reauthorization of a project which Congress approved in 1980. The amendment provides that the Secretary of the Interior study alternate uses of the features of the Oahe unit which have already been constructed. However, no new uses will be made of these facilities and no additional construction authorized until the Secretary has reported on his studies to the Congress and the Congress has approved such new uses or construction. If such new uses are approved, the beneficiaries will be responsible for reimbursement of the construction costs as provided by existing law.

Mr. Speaker, I urge approval of this legislation.

Mr. DE LA GARZA. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Speaker, I would like to at this time enter into the RECORD letters from the Office of the Legislative Counsel of the U.S. Senate, the Congressional Research Service, and the Department of Interior with legal interpretations of section 4(b), lines 12-14 which says that the features mentioned in lines 8-12 "shall not be constructed by the Secretary without further action by the Congress." Each interpretation concurs that the listed facilities could not be constructed unless Congress reauthorizes them.

Furthermore, Mr. Speaker, during markup of this legislation in the Agriculture Committee the gentlemen from South Dakota both shared this interpretation.

The letters are as follows:

U.S. SENATE,  
March 5, 1982.

Memorandum to: Senator Pressler.  
(Attention of Mel Ustad).  
Re deauthorizing language in H.R. 4347 relating to the WEB pipeline.

You requested an opinion as to the effect of subsection (b) of section 3 of H.R. 4347 which provides as follows:

"(b) Those features of the authorized plan of development for the Oahe unit, initial stage, which were designed for and could be used only to deliver irrigation water to the Spink and West Brown irrigation districts, namely: Faulkton, Cresbard, West Main, Redfield, James, and East Canals; Cresbard and Byron Dams and Reservoirs; James and Byron Pumping Plants; and associated features; shall not be constructed by the Secretary, but nothing in this Act shall be deemed to limit the authority of the Secretary to recommend development of other features, based upon the study authorized by section 2(a)(1) of this Act".

You have specifically asked about the effect of the language "shall not be constructed". If this bill is enacted into law, the effect of the language would be to deauthorize construction of the features specified in such subsection. Any future construction relating to such features would have to be specifically reauthorized by legislation.

Please do not hesitate to contact me if I can be of further assistance in this matter. Respectfully,

WILLIAM F. JENSEN,  
Office of Legislative Counsel.

CONGRESSIONAL RESEARCH SERVICE,  
THE LIBRARY OF CONGRESS,  
Washington, D.C., March 17, 1982.

To: Hon. Larry Pressler.  
(Attention of Mel Ustad).  
From: American Law Division.  
Subject: Whether Language in H.R. 4347 (97th Congress) constitutes a deauthorization of the Oahe irrigation unit.

This memorandum responds to the request of Mr. Ustad that our telephone conversation on the topic above be put into writing.

H.R. 4347 provides in section 3(b) that—

"Those features of the authorized plan of development for the Oahe unit, initial stage, which were designed for and could be used only to deliver irrigation water to the Spink and West Brown irrigation districts . . . shall not be constructed by the Secretary [of the Interior]. . . ."

Research reveals no reason why the operative phrase—"shall not be constructed by the Secretary"—should be interpreted as anything less than a deauthorization of the specified features of the Oahe unit. The legal literature reveals no rule to the effect that Federal project deauthorizations can only be achieved through use of the term "deauthorize" or any other particular language.

The contemplated addition of the phrase "unless reauthorized by Congress" immediately following "shall not be constructed by the Secretary" seems to be unnecessary, given the foregoing interpretation. It is a truism that a deauthorized project remains so only until such time as it is reauthorized.

ROBERT MELTZ,  
Legislative Attorney.

U.S. DEPARTMENT OF THE INTERIOR,  
BUREAU OF RECLAMATION,  
Washington, D.C., Mar. 2, 1982.

Hon. JAMES ABDNOR,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR ABDNOR: In response to your letter of earlier today, this is to confirm your understanding of the meaning of the language of subsection 3(b) or S. 1553/H.R. 4347 regarding the construction of certain features of the authorized Oahe unit, initial stage. The Department has endorsed enactment of this legislation with amendments.

In our view the language of subsection 3(b) is clear on its face. The listed facilities could not be constructed under this provision unless Congress were to reverse itself and reauthorize them. Enacted into law, subsection 3(b) would preclude construction of those facilities by the Department.

While the intent of the language is clear as it is, we would have no objection to a technical amendment citing House Document 90-163 in order to further and more formally identify the features not to be constructed.

I regret any confusion which has resulted on this point as a result of the August 31, 1981, letter addressed to Mr. John Sich by Acting Assistant Commissioner Aldon Nielson. Hopefully, this will clarify the legal interpretation of subsection 3(b).

Sincerely yours,

ROBERT H. BROADBENT,  
Commissioner.

Mr. BEDELL. I would like to ask the gentlemen, Mr. DASCHLE and Mr. ROBERTS, to confirm this interpretation of section 4(b).

Mr. DASCHLE. If the gentleman will yield, I can affirm the gentleman's understanding. A letter from Robert Meltz, the legislative attorney for the Library of Congress, dated March 17, 1982, states, "Research reveals no reason why the operative phase shall not be constructed by the Secretary"—should be interpreted as anything less than a deauthorization of specified features of the Oahe Unit."

Mr. BEDELL. I thank the gentleman.

Mr. ROBERTS of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. I yield to my colleague, the gentleman from South Dakota (Mr. ROBERTS).

Mr. ROBERTS. I thank my colleague from the great State of Iowa for yielding.

Mr. Speaker, I certainly agree with what the gentleman has read into the RECORD here. That is fact. Before the Secretary would be allowed to go ahead with the water project, it would in fact have to come before this very body for reauthorization.

Mr. BEDELL. I thank the gentleman very much, and I would like to take this opportunity to commend the gentleman. There are times when we have our differences in regard to water, but I think it speaks well that indeed we can work together. The gentleman from Iowa supports this legislation, and I think this shows the way we could try to work together in trying to

solve our water problems in the country.

Mr. LUJAN. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Speaker, I rise in support of H.R. 4347, a bill to authorize the Secretary of the Interior to proceed with development of the South Dakota WEB pipeline, and other purposes. I particularly want to associate myself with the remarks of the gentleman from South Dakota (Mr. ROBERTS) and commend him for his hard work and outstanding leadership in bringing this bill to the floor.

The purpose of H.R. 4347 is to provide reimbursement to the State of South Dakota for the lands sacrificed for the Pick-Sloan Missouri main-stream dams. These dams, which were constructed during the past 40 years in order to control the destructive flooding in the lower Missouri River basin, inundated over a million acres of the upper basin States' most agriculturally productive bottom lands. In return, upper basin States were to receive substantial irrigation development to stabilize and insure the economic growth of the region. This bill addresses that debt owed to South Dakota.

What H.R. 4347 does is to direct the Secretary of Interior to proceed with the WEB rural development project, and to make appropriated funds immediately available for obligation. The Secretary of Interior is authorized to conduct studies and report to Congress on South Dakota water projects to be developed in lieu of the Oahe and Pollack-Herleid irrigation facilities. Authority also is granted the Secretary to make Missouri River basin pumping power available to Indian tribes and other public entities for use in new irrigation projects.

Mr. Speaker, H.R. 4347 was not without controversy during its consideration before the Agriculture Committee. Several members of the committee, and in particular the honorable gentleman from Missouri (Mr. COLEMAN), raised questions over the legislative intent of this bill. Most of these questions were answered in committee, and I am hopeful and confident that any additional concerns will be addressed today during a colloquy between the gentleman from Missouri and the gentleman from South Dakota (Mr. ROBERTS), so that we may have unanimous support of this legislation before us.

Again, Mr. Speaker, I must commend the gentleman from South Dakota (Mr. ROBERTS), for his excellent leadership in uniting the South Dakota delegation behind this bill. His hard work and dedication have made it possible for us to be considering this legislation today.



I urge my colleagues to support passage of H.R. 4347.

Mr. DE LA GARZA. Mr. Speaker, I would like to thank all of the Members who have worked so diligently on this legislation. This is to assure all of the Members that all of the different opinions and all of the different needs I think have been satisfied, and everyone now is in accord and working in unison—perhaps not all entirely satisfied, but satisfied enough to allow this legislation to continue, with the assurances given by the Members affected primarily by the legislation.

Mr. ROBERTS of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from South Dakota.

Mr. ROBERTS of South Dakota. I thank the gentleman for yielding.

Mr. Speaker, I would just like to thank the chairman of the Agriculture Committee for his fairness and expertise in helping get this particular legislation that is so important to the floor of this body. I would just like to say thanks to the distinguished chairman for the complete fairness that he has provided throughout the Agriculture Committee hearings. Thank you, Mr. Chairman.

Mr. DE LA GARZA. I thank the gentleman for his generosity.

● Mr. CLAUSEN. Mr. Speaker, I rise in support of H.R. 4347. This bill, as amended in the Water and Power Resources Subcommittee in May, represents a consensus among the congressional delegation from South Dakota and that being so, I am prepared to give it a great deal of deference. It would, among other things, provide for the development of the WEB rural water development project, frequently referred to as the WEB pipeline.

Mr. Speaker, this bill represents the culmination of a long process during which the subcommittee has had an ongoing dialog with those in South Dakota including the dispatching of some of our professional staff to the areas of impact within the State. We have had the advantage of hearings during which those affected have given us the benefit of their counsel.

The WEB pipeline will pass through the counties of Walworth, Edmunds, and Brown as it proceeds eastward from the Missouri River, and will serve some 50 different rural communities and 30,000 people. The WEB project would be built by the Bureau of Reclamation and I understand that Commissioner Broadbent is fully in agreement with its specifics. The project would be built according to Public Law 96-355 which calls for grants for not less than 75 percent of the cost and loans for the rest.

As Hon. CLINT ROBERTS from South Dakota testified before the Water and Power Resources Subcommittee last October, this bill may well represent the last best hope that the people of

South Dakota have to be compensated for the taking of almost 540,000 acres of prime bottomland for the Pick-Sloan project to provide benefits which have been enjoyed by States downstream on the Missouri River for approximately the last 20 years. One could easily understand the people of South Dakota if they were to feel that this bill is part of the compensation owed them for that sacrifice.

In the past, the funds authorized for WEB have been deferred because of WEB having been linked with deauthorization of the OAHE unit, which has been surrounded in controversy. This bill removes that link and represents a bipartisan agreement among the South Dakota delegation on how to deal with the OAHE features already constructed as well as an agreement to proceed with dispatch on the WEB pipeline.

The WEB rural water development project is one which the administration supports and I urge my colleagues to support it. ●

Mr. DE LA GARZA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARNARD). The question is on the motion offered by the gentleman from Texas (Mr. DE LA GARZA) that the House suspend the rules and pass the bill, H.R. 4347, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### SMALL BUSINESS ACT AND SMALL BUSINESS INVESTMENT ACT OF 1958 AMENDMENTS

Mr. MITCHELL of Maryland. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6086) to amend the Small Business Act and the Small Business Investment Act of 1958, as amended.

The Clerk read as follows:

H.R. 6086

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. Section 20 of the Small Business Act is amended as follows:

(a) by striking from paragraph (2) of subsection (n) the figure "\$60,000,000" and by inserting in lieu thereof "\$167,000,000";

(b) by striking from paragraph (3) of subsection (n) the figure "\$35,000,000" and by inserting in lieu thereof "\$41,000,000" and by striking from such paragraph the figure "\$160,000,000" and by inserting in lieu thereof "\$250,000,000";

(c) by striking from paragraph (2) of subsection (q) the figure "\$60,000,000" and by inserting in lieu thereof "\$167,000,000"; and

(d) by striking from paragraph (3) of subsection (q) the figure "\$35,000,000" and inserting in lieu thereof "\$41,000,000" and by striking from such paragraph the figure "\$160,000,000" and by inserting in lieu thereof "\$250,000,000".

SEC. 2. Section 5 of the Small Business Act is amended by adding the following new subsection:

"(f) Notwithstanding any other provision of law, the Administration shall enter into commitments for direct loans and to guarantee loans, debentures, payment of rentals or other amounts due under qualified contracts and other types of financial assistance and to enter commitments to guarantee sureties against loss pursuant to programs under this Act and the Small Business Investment Act of 1958 in the full amounts provided by law, including reprogramming requests approved by the Appropriations Committees of the United States Senate and the House of Representatives of the United States, subject only to (1) the availability of qualified applications for such direct loans and guarantees and (2) limitations and amounts contained in authorization and appropriation Acts. Nothing in this subsection authorizes the Administration to reduce or limit its authority to enter commitments for direct loans or for such guarantees to qualified applicants."

SEC. 3. Section 404(b) of the Small Business Investment Act of 1958 is amended as follows:

(a) by striking from paragraph (1) thereof "may be issued" and by inserting in lieu thereof "shall be issued"; and

(b) by striking the period at the end of paragraph (1) thereof and by inserting in lieu thereof ", and the Administration is expressly prohibited from denying such guarantee due to the property being so acquired."

The provisions of subsections (a) and (b) of this section shall apply to applications (for the issuance of a guarantee described in section 404 of the Small Business Investment Act of 1958) which are pending as of January 1, 1982, or are made after December 31, 1981.

SEC. 4. Section 411 of the Small Business Investment Act of 1958 is amended by adding the following at the end of subsection (h):

"The Administration shall not establish eligibility criteria based on the amount of the bond, subject to the limitation in subsections (a) and (c), or upon a percentage related to previously successfully completed contracts. The Administration shall evaluate each application on a case-by-case basis and based solely thereon shall determine the appropriate guarantee."

SEC. 5. Section 7 of the Small Business Act is amended by striking the period at the end of paragraph (4) of subsection (a) thereof and inserting the following: "Provided further, That prior to June 30, 1983 the Administration shall not promulgate, amend, or rescind any rule or regulation with respect to a formula involving prime interest rates as a criteria to determine the maximum interest rate a lender may charge on a deferred participation (guaranteed) loan."

SEC. 6. Section 10 of the Small Business Act is amended by adding the following new subsection:

"(h) The Administration shall maintain a record of all applications for or inquiries about the availability of funding for financial assistance under this Act and for guarantees and purchases under the Small Business Investment Act of 1958. Such record shall include the name, address and telephone number of the applicant or person inquiring and the dollar amount involved and shall be kept for a period of at least one (1) year from the date of each."

SEC. 7. Section 5 of the Small Business Act is amended by adding the following new subsection:

"(g) The Administration shall notify the Senate Small Business Committee and the Small Business Committee of the U.S. House of Representatives before reprogramming any program amounts authorized in appropriations Acts or reports explanatory thereof and shall notify the Senate Small Business Committee and the Small Business Committee of the U.S. House of Representatives before implementing any reorganization of such agency."

SEC. 8. Section 2 of the Small Business Act is amended by striking "section 7(i)" from paragraph (1) of subsection (c) and by inserting "section 7(a)(11)".

SEC. 9. Section 7 of the Small Business Act is amended as follows:

(a) by striking, wherever it appears therein, "section 7(i)" from paragraphs (1), (2), (3), (8), (9) and (11) of subsection (j) and by inserting "section 7(a)(11)";

(b) by striking from subsection (k) "section 7(i)" and by inserting "section 7(a)(11)";

(c) by striking subsections (e), (h), (i), and (j); and

(d) by striking all of subsection (c) after the first two sentences in subparagraph (D) of paragraph (4) and inserting the following:

"Such loans, subject to the reductions required by subparagraphs (A) and (B) of paragraph 7(b)(1), shall be in amounts equal to 100 percent of loss if the applicant is a homeowner and 85 percent of loss if the applicant is a business or otherwise. The interest rates for loans made under paragraphs 7(b) (1) and (2), as determined pursuant to this paragraph (4), shall be the rate of interest which is in effect on the date the disaster commenced: *Provided*, That no loan under paragraphs 7(b) (1) and (2) shall be made, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis, if the total amount outstanding and committed to the borrower under subsection 7(b) would exceed \$500,000 for each disaster unless an applicant constitutes a major source of employment in an area suffering a disaster, in which case the Administration, in its discretion, may waive the \$500,000 limitation."

SEC. 10. Section 7(a) of the Small Business Act is amended by adding the following new paragraph:

"(16)(A) No direct loan may be made pursuant to this subsection unless the Administration determines—

"(i) that the applicant for such loan (whether a startup or existing small business concern) demonstrates a potential for sustained business growth as evidenced by (I) capacity to create, expand, or satisfy domestic or international markets for the products or services produced or rendered by such applicant, (II) location in a geo-

graphic area suitable for its business operations and access to markets, and (III) lack of unduly restrictive agreements which, if exercised, could substantially impede the profitable operations of the applicant;

"(ii) that the applicant has given reasonable assurance that it will create employment opportunities within a two-year period after all loan proceeds are disbursed; and

"(iii) those managerial or marketing weaknesses which exist with respect to such applicant and devises, in concert with the applicant, a management plan, prior to the disbursement of any proceeds of such loan, to address such weaknesses. Such plan, if needed, shall be in writing, provide for identifiable business goals, plans of action and timetables for accomplishment and shall be incorporated by reference into the loan authorization agreement. The Administration shall provide assistance for the implementation of such plans on a priority basis through such management and technical assistance activities as are authorized by this Act."

"(B) Direct loan funds under subsection (a) shall be allocated to the Administration's regional offices at least quarterly each fiscal year. The amount of such allocation shall be based solely upon the average total number of unemployed workers residing within each regional area as a percent of the average total unemployed work force nationwide for the immediately preceding fiscal quarter, or for the most recent fiscal quarter for which such statistics are available. Each regional office shall allocate such funds to each district office within its jurisdiction at least quarterly based solely upon the average total number of unemployed workers residing within the district as a percent of the average total unemployed work force region wide for the immediately preceding fiscal quarter, or for the most recent fiscal quarter for which such statistics are available. During the last fifteen calendar days of each fiscal year quarter, the Administration may reallocate direct loan funds among its regions or districts if it is unreasonable to expect that such region or district will commit substantially all of its allocation before the expiration of such quarter."

"(C) Direct loans authorized by this subsection shall be extended on a priority basis within each of the Administration's designated district areas to those qualified applicants in order of the following priority—

"(i) those applicants which (I) satisfy the requirements of subparagraph (A), (II) are located in or near a labor surplus area (as defined pursuant to Defense Manpower Policy 4B (32A CFR Chapter 1) or any successor policy), (III) agree to perform or render a substantial proportion of their production or services within or near such areas, and (IV) will utilize the loan proceeds solely for construction, renovation or the purchase of land, buildings, machinery or equipment;

"(ii) those applicants which satisfy the requirements of subparagraph (A) and subparagraph (C)(i) (I), (II), and (III); and

"(iii) those applicants which satisfy the requirements of subparagraph (A)."

"(D) Neither this paragraph nor the second proviso of paragraph (3)(A) of subsection (a) shall apply to direct loans made pursuant to paragraph (10) of this subsection."

SEC. 11. Section 7(a)(3) of the Small Business Act is amended to read as follows:

"(3)(A) No loan under this subsection shall be made if the total amount outstand-

ing and committed (by participation or otherwise) to the borrower from the business loan and investment fund established by section 4(c)(1) of this Act would exceed \$500,000: *Provided*, That the Administration's share of any loan made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate basis shall not exceed \$350,000; *Provided further*, That any loan made directly pursuant to this subsection shall be accompanied by an injection of additional funds derived from nonfederal sources in the following amounts:

"(i) if the loan in under \$100,000 in amount, at least 10 per centum;

"(ii) if the loan in between \$100,000 and \$200,000 in amount, at least 20 per centum; and

"(iii) if the loan in over \$200,000 in amount, at least 30 per centum."

"(B) The percentages specified in subparagraphs (A) (i) and (iii) shall be reduced to 10 per centum and 15 per centum, respectively, if the nonfederal source funds are derived from a state or local government, including tax exempt obligations of such governments."

"(C) The Administration shall delegate to each district office the authority to approve direct loans in the amounts specified in subparagraph (A) (i), (ii) and (iii) under the conditions specified in this Act without seeking higher approval within the Administration."

"(D) The Administration may transfer no more than 15 percentum of each of the total levels for direct loan programs as authorized in section 20 of this Act: *Provided, however*, That no loan program level authorized in such section may be increased more than 25 percentum by any such transfers: *Provided further*, That the Administrator is not authorized to transfer direct loan levels to deferred participation (guaranteed) loan levels and that any transfers shall be effective only to the extent approved in advance by the Appropriations Committees of the United States Senate and of the House of Representatives of the United States."

"(E) For purposes of this paragraph the term 'nonfederal sources' shall include, but not be limited to, state and local government funds (including the proceeds from tax exempt obligations of such governments), and funds derived from private financial institutions or private equity sources. In no event shall such term include funds derived directly from any grant or loan made, guaranteed or insured by the Federal government."

SEC. 12. Subsection (a) of section 7 of the Small Business Act is amended by adding at the end thereof the following new paragraph:

"(17)(A) In the case of any applicant—

"(i) which performs abortion,

"(ii) which engages in research which relates, in whole or in part, to methods of, or the performance of, abortion,

"(iii) which promotes or recommends abortion, or

"(iv) which trains any individual to perform abortion, no financial assistance shall be available under this subsection which benefits such applicant with respect to any of the activities described in clause (i), (ii), (iii), or (iv)."

"(B) Subparagraph (A) shall not apply to any activity described in clause (i) or (iii) of subparagraph (A) if all of the abortions performed, promoted, and recommended in such activity are in cases where the life of



the mother would be endangered if the fetus were carried to term."

Sec. 13. Section 15 of the Small Business Act is amended by striking subsections (d), (e) and (f) and inserting in lieu thereof the following:

"(d) For purposes of this section priority shall be given to the awarding of contracts and the placement of subcontracts to small business concerns which shall perform a substantial proportion of the production on those contracts and subcontracts within areas of concentrated unemployment or underemployment or within labor surplus areas. Notwithstanding any other provision of law, total labor surplus area set asides pursuant to Defense Manpower Policy Number 4B (32A CFR Chapter 1) or any successor policy shall be authorized if the head of the procuring Federal agency or his designee specifically determines that there is a reasonable expectation that offers will be obtained from a sufficient number of eligible concerns so that awards will be made at reasonable prices. As soon as practicable and to the extent possible, in determining labor surplus areas, consideration shall be given to those persons who would be available for employment were suitable employment available. Until such definition reflects such number, the present criteria of such policy shall govern.

"(e) In carrying out small business set aside programs, Federal agencies shall award contracts, and encourage the placement of subcontracts for procurement to the following in the manner and in the order stated:

"(1) concerns which are small business concerns and which are located in labor surplus areas, on the basis of a total small business-labor surplus area set aside;

"(2) concerns which are small business concerns, on the basis of a total small business set aside;

"(3) concerns which are small business concerns and which are located in a labor surplus area, on the basis of a partial small business-labor surplus area set aside; and

"(4) concerns which are small business concerns, on the basis of a partial small business set aside.

"(f) After priority is given to the small business concerns specified in subsection (e), priority also shall be given to the awarding of contracts and the placement of subcontracts, on the basis of a total labor surplus area set aside, to business concerns which will perform a substantial proportion of the production on those contracts and subcontracts within areas of concentrated unemployment or under employment or within labor surplus areas."

Sec. 14. Section 8(e) of the Small Business Act is amended—

(1) by redesignating clauses (1) through (10) as clauses (A) through (J), respectively;

(2) by inserting "(1)" after "(e)"; and

(3) by adding at the end thereof the following:

"(2) Whenever publication of a notice of procurement actions is required by paragraph (1) of this subsection, the department, establishment, or agency responsible for the procurement (A) shall issue a solicitation for the procurement only after at least fifteen days have elapsed from the date of publication of the notice pursuant to such paragraph; and (B) shall foreclose competition under a procurement action only after thirty days have elapsed from the date of issuance of the solicitation, or, in the case of orders under a basic agreement, basic ordering agreement, or similar arrangement, the date of publication of a notice of intent to place the order pursuant to such paragraph."

Sec. 15. Section 3(h) of the Small Business Act is amended as follows:

(a) by striking "availability of credit" and by inserting "availability of sufficient credit"; and

(b) by striking "conditions" and by inserting "conditions and at reasonable rates,".

Sec. 16. Section 3 of the Small Business Act is amended by striking from subsection (a) "Provided, That the Administration shall not promulgate, amend, or rescind any rule regulation with respect to size standards prior to March, 1981." and inserting in lieu thereof the following:

"Provided, That notwithstanding the waiver provisions of any other law, the Administration shall not promulgate, amend or rescind any rule or regulation with respect to size standards except in accordance with the procedures of chapter 5 of title 5, United States Code."

Sec. 17. Section 302(a) of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following:

"With respect to a company licensed pursuant to section 301(d), such capital and surplus shall include funds obtained directly or indirectly from an agency or department of a state government or the Federal government (excluding the Administration) for purposes of section 303 leveraging, provided that such funds:

"(1) are not taken into account with respect to meeting the requirements established by the preceding two sentences; and

"(2) were invested in or were legally committed to be invested in such company prior to July 29, 1980."

Sec. 18. Section 502 of the Small Business Investment Act of 1958 is amended by striking "plant acquisition," and by inserting in lieu thereof "working capital, plant acquisition,".

Sec. 19. Section 503 of the Small Business Investment Act of 1958 is amended by striking all of paragraph (5) of subsection (b) after "is made" and by inserting the following: "Provided, That the Administration shall not use the source or nature of the funds constituting the remaining percentage of the project cost as a criteria to approve or reject such guarantee; and"

Sec. 20. Notwithstanding the provisions of section 8(a) of the Small Business Act, the programs authorized by subparagraph (B) of section 8(a)(1) of such Act and by paragraph (2) of section 8(a) of such Act shall be continued through fiscal year 1983.

Sec. 21. This Act shall take effect October 1, 1982: *Provided*, That the amendments made by sections 9(d) and 15 shall not apply to any disaster which commenced on or before July 2, 1980.

The SPEAKER pro tempore. Is a second demanded?

Mr. McDADE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Maryland (Mr. MITCHELL) will be recognized for 20 minutes, and the gentleman from Pennsylvania (Mr. McDADE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. MITCHELL).

#### GENERAL LEAVE

Mr. MITCHELL of Maryland. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous matter, and that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MITCHELL of Maryland. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 6086 and urge the immediate passage of this legislation.

Mr. Speaker, I want to stress at the outset that although this bill makes numerous changes in the Small Business Act and the Small Business Investment Act, it is not going to cost us any additional money. The bill merely modifies existing programs and gives congressional direction as to implementation and operation of programs.

For example, the bill increases three SBA program levels for each of fiscal years 1983 and 1984: Economic opportunity guaranteed loan levels would be increased to \$167 million (now \$60 million); direct purchases of debentures from Minority Enterprise Small Business Investment Companies would be increased to \$41 million (now \$35 million); and guarantees of Small Business Investment Company debentures would be increased to \$250 million (now \$160 million).

The bill also would: Require that SBA fully utilize its program levels unless changes are approved through the appropriations process or through Budget Act procedures; require SBA to keep a record of applicants; prohibit SBA from arbitrarily refusing to approve surety bond guarantees in amounts less than those statutorily provided except on a case-by-case determination; impose a moratorium until June 30, 1983, on changes in the maximum interest rate on SBA guaranteed loans; and make other minor revisions in the Small Business Act and Small Business Investment Act.

I also want to point out an amendment which was added in committee which I am totally opposed to. The provision would deny SBA loan assistance to benefit any applicant with respect to: The performance of abortions; research which relates to abortion; promotion or recommendation of abortion; or training for performance of abortions, unless the performance, promotion or recommendation is in a case where the life of the mother would be endangered if the fetus were carried to term.

SBA can identify only one loan to an Indiana firm whose application described it as a surgical outpatient

clinic. Apparently, however, the borrower was, in fact, engaged in performing abortions.

I am personally opposed to the provision as I support freedom of choice. In addition, I am opposed to it because it would create an administrative nightmare for SBA as unless SBA is to investigate each and every applicant, there is no way they can ascertain the exact business of an applicant. This is especially true today with more than 90 percent of SBA's loans being guaranteed loans made by banks.

This is simply a matter which we will deal with in conference.

There are, however, several provisions I particularly want to bring to the House's attention.

First, it would use SBA direct loans to reduce unemployment. In the past 2 years, we have reduced drastically the amount of SBA direct loans for those small concerns which cannot obtain credit from any other source. I believe that this cut was the exact opposite of what we should have done as the reductions in loans have reduced employment. We should have increased these loans to permit small business to fulfill its role as the Nation's job creator.

Nonetheless we are still confronted with a very low program level. Thus the bill contains a provision to modify substantially SBA's direct loan program by channeling the limited amounts of these direct loans to areas of high unemployment. Also, an applicant would be required, first, to demonstrate a potential for sustained business growth; second, to give reasonable assurance that it will create employment opportunities; and third, to obtain an additional injection of outside funds of between 10 and 30 percent, depending upon the amount of the SBA loan.

Second, it would give small businesses and others a more realistic opportunity to bid on Federal procurement needs. At the present time, the Federal Government is spending some \$110 billion per year to procure goods and services. Notice of many of these procurement opportunities is published in the Commerce Business Daily, but frequently the publication is so near to the date the contract will be awarded that most small businesses, especially those outside of the Washington, D.C. area, realistically have little or no opportunity to even bid on these items. The result is that small business is obtaining less than one-fourth of the Federal procurement dollars, as compared to small business accounting for 38 percent of our gross national product. Thus, not only is the current practice bad for the small business community but it is also bad for the Federal Government as we may be paying an excessive amount for goods and services due to the limited competition which now exists. Thus, basically, the

bill would require that for any procurement for which a notice must be published in the Commerce Business Daily, there must be a 10-day period between publication of the summary or synopsis of the upcoming contract before the invitation for bids or request for proposals is actually issued. In addition, there would have to be an additional 30-day period between issuance of the invitation or request and issuance of the contract. These lead-times will give small businesses and others time in which to find out about an upcoming contract and submit a bid.

Third, the bill would effectively reinstate SBA's pollution control bond guarantee program. Under the Tax Code, businesses are allowed to issue industrial revenue bonds to finance plant and equipment changes mandated by pollution control laws. Over 6 years ago we found, however, that although big business was taking full advantage of this source of financing, small businesses did not have sufficient credit to issue these bonds. As a result, the Congress enacted a program through which small business could lease the required equipment and SBA would guarantee the lease payments. These guarantees provided small business sufficient credit and thus enabled them to utilize industrial revenue bonds, which they have done. The program has been very successful and, in fact, is making money for the Federal Government from the fees SBA charges for the guarantee and is making even more money as SBA has invested and is earning interest on these accumulated fees. Through March of this year, SBA has collected more than \$22 million in fees and has earned \$3 million in interest from investing these fees.

Unfortunately, in January of this year OMB ordered SBA to decline guarantees on any leases if the underlying property or equipment was to be acquired through the proceeds of industrial revenue bonds. Not only was this decision applied to future applications, but it was applied to some 130 pending applications. As a result, the program has ground to a halt and small business is again effectively precluded from using a financing source which is available to big business for expenditures mandated by the Federal Government. To correct this inequity, the bill includes a provision prohibiting SBA from denying guarantees on contracts for pollution control property or equipment solely because it has been acquired through the use of industrial revenue bonds.

Finally, it would incorporate the text of H.R. 4500 which was passed by the House, November 17, 1981, but which is still awaiting Senate action. That provision would extend for 2 years the SBA procurement and

surety bond pilot programs for socially and economically disadvantaged firms.

I want to thank all of the members of the committee who worked on this bill, particularly the ranking minority member, JOE McDADE, who worked on it very hard. I also want to thank Representatives CONTE and BEDELL for their assistance and expertise, particularly with the provisions involving the pollution control bonds. In addition, I want to express the committee's thanks to the Committee on Government Operations for their cooperation and suggestions on the amendment pertaining to the Commerce Business Daily publication requirements.

I believe that this is a good bill and that its enactment will help provide the tools to the small business community to assist them with their financial needs, as well as giving them the opportunity to supply goods and services to the Government.

In conclusion, I want to stress that the bill does not establish any new programs; it merely modifies the terms of established programs so that they will be more useful to the small business community, especially in today's recessionary economy. I also want to note that there is virtually no cost associated with this bill and I urge its support by all Members of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill H.R. 6086 with amendments. The creation of this bill did not occur without a great deal of effort from both sides of the aisle, beginning with extended discussion in February, prior to the March 15 deadline for the committee report to the Budget Committee. I would like to congratulate my colleagues for their work on the bill, specifically Mr. CONTE of Massachusetts (pollution control program), Mr. MARRIOTT of Utah (small business investment company programs), and Mr. SMITH of New Jersey (handicapped loan program), Mr. ADDABO of New York (distressed area loan program), and Mr. BEDELL of Iowa (pollution control board program).

#### MAJOR PROGRAM CHANGE—ABOLISH DIRECT LOANS AND CREATE DISTRESSED AREA LOANS

The bill addresses a number of areas of importance to the administration. At their request we increased the minority small business investment company program from \$37 to \$41 million; we increased guaranteed loans by \$107 million; and we abolished direct loans. These were hard decisions, but too often Congress has failed to carefully target very limited resources or to alter programs that have gone awry. But this bill will do both by making major changes at the SBA.

SBA's direct loan program was a major problem for prior administra-



tions. During the last session, interest rates on these loans were raised from 8 to about 16 percent to reduce costs. But the major difficulty has been the administration of the program. During the previous administration, the loan policy was centered on volume, not quality. I am pleased to say that this policy has been reversed. But today the direct loan portfolio is 36 percent delinquent. We cannot continue a program where one out of every three loans is a grant—a grant that causes financial ruin and heartache for the recipient. Further, we cannot spread an ever-increasing amount of money in a haphazard fashion that depends upon historical use and institutional inertia.

With the chairman's able assistance we have created a bill that will abolish direct loans at the SBA—except for handicapped persons. As an alternative we have created a loan program aimed at the small business owners' two greatest difficulties—capital availability and the cost of that capital. This bill also takes aim at our Nation's greatest problem—unemployment.

The bill targets those small businesses in the Nation's highest unemployment areas. These businesses must use the loans to purchase or improve physical plant or equipment that will create new jobs. In addition, the bill requires that the small business match the Federal loan up to 30 percent. But the bill goes even further. It encourages State and local non-Federal development organizations to join with the SBA to help local businesses expand.

Let me run over those points again: First, matching loan program—direct loans abolished: Requires small business owner to participate.

Second, economically distressed areas: Where unemployment runs 20 percent above the national rate for the last 2 years; where capital is hardest to come by and most expensive; and where jobs and business taxes are desperately needed.

Third, job creation: Application must show multiple job creation potential; small businesses are proven job creators in our economy, 69 percent of new jobs come from small businesses, 30 percent from Government and 1 percent from big business.

Fourth, fixed asset lending: First priority to loans for purchase or refurbishment of buildings or equipment.

Fifth, State and local participation: Where State and local non-Federal financial assistance is given, matching requirement is reduced.

This change will result in the creation of jobs in our most economically distressed areas. At the same time we expect this program to substantially reduce the rate of default. We must change the way we have done business in the past. We must get more from each dollar expended. This program shows the way to other loan-granting agencies in the Government.

#### SBA DENYING LOAN PROGRAM EXISTENCE

The committee was faced with a very difficult situation concerning the obligation of loan funds. For at least 3 years previous to 1981, the SBA created a loan policy that stressed volume not quality. This emphasis, in large part, has been responsible for a delinquency rate of 25 percent overall—11.5 percent guaranteed and 36 percent direct loans. The new Administrator of the SBA has moved aggressively to improve the quality of loans made. Unfortunately, as the record makes absolutely clear, in the field the SBA was denying the existence of more than \$200 million in loan programs. Despite the assurance of the Administrator that remedial management messages were sent, we were confronted with clear evidence of attempts to reduce loanmaking by denying or discouraging applications.

Although neither I nor any of the members of our committee approve or condone the loose management of the past, we cannot countenance the discouragement of eligible borrowers—deserving small business owners who desperately need these funds. Too many small businesses desperately need loans at less than the 19 percent rate of guaranteed loans. Too many small businesses see this 16-percent loan program as the key to survival in these times of high interest rates. These programs must be available to those who qualify. The provision in the bill merely directs that SBA commit loan funds if qualified borrowers exist. It does not require wasteful ways of the past, but it simply requires that SBA no longer conceal its programs.

This bill presents a major initiative begun by me and now bipartisan, which will play a part in solving our most pressing problems: jobs for our citizens and capital for our small businesses in the most needy areas. In keeping with much of our new legislation, we are asking State and local governments to share with us the tasks of helping small business.

I urge your support for this bill. It is a step into the future.

□ 1245

This bill, as my chairman said, does a great deal more.

I want to express my appreciation to my friend, the gentleman from Massachusetts (Mr. CONTE) for his work in the pollution control program; to the gentleman from Utah (Mr. MARRIOTT) for his work in the small business investment programs and to the gentleman from New Jersey (Mr. SMITH) for his outstanding attention to the handicapped loan provisions.

Mr. Speaker, I reserve the balance of my time.

Mr. MITCHELL of Maryland. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Speaker, I thank the gentleman from Maryland for yielding this time to me, and I commend him and our ranking minority member, the gentleman from Pennsylvania (Mr. McDADE), for bringing forth this legislation.

Mr. Speaker, I rise in enthusiastic support of H.R. 6086, which amends the Small Business Act and the Small Business Investment Act of 1958. As cosponsor of this bill, and as member and past chairman of the Small Business Oversight Subcommittee, I strongly urge the Members to vote in favor of H.R. 6086. I see it as an acceptable compromise which deals with many of the issues brought before the Committee on Small Business over the last year.

As a longtime member of the Small Business Committee, I have consistently been an enthusiastic supporter of direct loans to small businesses because they simply are not treated like large businesses when they go to a bank for a loan. The New York Times article of April 25, 1982, is yet another tale of small firms being told that they are simply too small to merit consideration by banks. Even businesses with adequate credit histories are being denied loans if the loan is too small in amount for banks to deal with. In addition, small firms cannot afford to pay interest at several points over today's prime rate. All of these factors point to the conclusion that SBA should not only provide loan guarantees to banks for small business loans, but must also provide direct loan assistance. H.R. 6086 would continue the direct loan program, but would correct the problems found by the committee caused by bad loanmaking policy on the part of the Small Business Administration.

Following are my comments on specific provisions of H.R. 6086:

#### UNSPENT MONEY AT SBA

For years, I have challenged SBA's practice of not spending appropriated funds because of their lack of commitment on some programs. It should not be within SBA's discretion to shirk its program responsibilities merely because it does not like a program passed by Congress for the benefit of small businesses. The last time SBA was before the Small Business Committee, its excuse for not spending direct and guarantee authority was lack of demand. However, when pressed, SBA could not document any appreciable decrease in demand which would account for this failure to make more loans. Section 2 would require SBA to spend subject only to availability of qualified applications and appropriations limitations. In addition, section 6 requires SBA to maintain a record of all applications for or inquiries about, availability of funding for financial assistance and for guarantees. This way,

SBA will not be able to claim "lack of demand" without proving it.

#### DIRECT LOANS

The new direct loan scheme tightens up the program so that SBA will be prevented from making bad loans. The SBA must determine that the loan applicant demonstrates a potential for growth, and that the applicant has given reasonable assurance that it will create employment opportunities within a 2-year period. Also, for the first time, SBA must assist direct loan recipients in developing a management plan after loan approval but before disbursement, to help correct any possible management deficiencies. These new requirements and others will assure taxpayers that only those firms capable of repaying loans will receive them, and that the economy will benefit from such loan assistance.

Direct loans will be allocated on the basis of unemployment within the region and district but it should be stressed that all regions and districts will receive direct loan money. However, within each district a priority is given to labor surplus areas and to businesses seeking to fund hard capital expenditures. Also, matching funds will be encouraged from State and local governments.

SBA districts and regions will still have the flexibility to spend the money where the immediate need is. This should give SBA no excuse for not spending appropriated money.

#### SURETY BONDS

The surety bond program at SBA is vital to the survival of those businesses that are at the mercy of cautious bonding companies. Section 4 of the committee print restrains SBA from discriminating against those small firms, which, because of fast growth, can demonstrate the ability to complete a contract much larger than previously completed contracts. It might be simpler to deny a bond based on this criteria from a programmatic standpoint, but it simply is not fair, and it prevents small firms from growing any faster than SBA thinks the firm should grow.

#### COMMERCE BUSINESS DAILY

In previous hearings, we received testimony that many small firms never had the opportunity to compete for Federal contracts because they never got adequate notice of the solicitation. Section 12 would require that a minimum period of time elapse between publication of the CBD and issuance of the solicitation and bid opening or proposal acceptance. The agencies already operate under regulations to this effect, but many small firms report that the regulations are not being followed.

#### REORGANIZATION OF SBA AND REPROGRAMING

We have heard that the administration is considering a transfer of program responsibilities from SBA to the

Department of Commerce. In addition, SBA continues to ask the Appropriations Committee for reprogramings without adequate notice to the Small Business Committee. Section 7 requires SBA to notify the Small Business Committee of these actions so that it can perform adequate oversight.

#### LABOR SURPLUS PROCUREMENT

Section 13 corrects some of the confusion about the priority given to firms under the labor surplus area preference set forth in the Small Business Act. It also would have the effect of promoting greater uniformity in the Federal acquisition system by removing the existing prohibition disallowing DOD to participate in total labor surplus area set-asides.

Mr. MITCHELL of Maryland. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Speaker, I rise in support of passage of H.R. 6086, authorizing Small Business Administration programs for fiscal year 1983. In particular, I wish to commend the gentleman from Maryland (Mr. MITCHELL) and the gentleman from Pennsylvania (Mr. McDADE) for their leadership in bringing this legislation to the floor with the unanimous, bipartisan support of the Small Business Committee.

As a member of the committee, and as a former small businessman myself, I have viewed with considerable alarm the attitude this administration has taken toward small business. The installation of a new Administrator at the SBA earlier this year has made a marked improvement at that agency, but they remain hamstrung by a variety of directives from the bureaucrats at the Office of Management and Budget.

Particularly troubling to me is the stubborn refusal of this administration to use the funds that already are available to help small businesses. Congress has authorized and appropriated funds for a variety of small business assistance programs, and the President has signed these measures into law, yet the administration has not been using the funds.

At a time of continuing high interest rates and record numbers of business bankruptcies, it is incredible that this administration does not use the authority available to it. This is particularly troubling in light of the fact that small businesses are the greatest source of innovation and new jobs creation in our economy, and the economy certainly can use help in those areas.

H.R. 6086 contains provisions to assure that the administration does what the law intends. It is peculiar that an administration which condemns civil servants for liberally interpreting statutes must itself be instructed by the Congress to observe

the law, but that is what we have come to.

Mr. Speaker, to illustrate what is happening, I will take just a minute or two to discuss the SBA's pollution control loan guarantee program. As chairman of the Small Business Subcommittee on Energy, Environment and Safety, I presided over three hearings on this program in recent months.

The SBA's pollution control loan guarantee program was established by the Congress in 1976. Its purpose is to help small businesses finance expensive pollution control equipment that is needed to meet environmental protection requirements imposed by the Government. Without this program, many small businesses would be forced out of business, because of the difficulty of financing nonproductive investments.

We found that the SBA's pollution control loan guarantee program worked beautifully for 5 years. They have issued more than \$500 million in guarantees and have suffered defaults totaling less than \$1 million. Moreover, the program has actually earned the Government over \$25 million in net profit to date. I am sure we would be very happy indeed if more Government programs had that kind of a track record.

The Small Business Committee is quite upset by recent administrative actions that have been ordered by OMB and which have effectively strangled this program. When the SBA's Administrator, Mr. Sanders, testified on H.R. 6086 a few weeks ago, he said that the SBA had not issued a single dollar of loan guarantees since the first of this year, when the OMB directive took effect. The absence of activity in this program is in spite of the facts that they have had over \$100 million in completed applications pending since last summer and that the Congress has authorized and appropriated \$250 million for the program.

The problem is purely bureaucratic. That is, the bureaucrats at OMB do not want the SBA to do what the law directs.

As it stands now, small businesses are effectively denied access to a successful and efficient program that was established to help them meet extraordinary costs imposed on them by the Government. This change in Federal policy was protested in statements presented to our subcommittee by representatives of the States of Illinois, Massachusetts, Michigan, Minnesota, and Ohio. More would have come, if they had thought we were having trouble getting the message.

Ohio's Gov. James Rhodes, informed us that the SBA's pollution control financing program had already helped 19 companies in his State, saving the jobs of 1,500 people. He



noted that 26 other Ohio companies had applications pending and that the administration's actions jeopardized over 2,100 jobs in his State.

In a letter to me, dated March 9, Governor Rhodes said:

Without SBA guaranteed tax-free financing, these companies, and many others who don't know yet that they have pollution compliance programs, won't be able to finance mandated compliance. Ohio will find itself in the unpalatable position of having to enforce federal pollution laws against Ohio businesses who are violating those laws because of federal policy changes which destroyed their ability to comply. That is bad government!

Mr. Speaker, after 3 days of hearings on pollution control financing for small business, including listening to the administration's rationale for its action in gutting the SBA program, the members of the Energy and Environment Subcommittee unanimously joined in cosponsoring H.R. 6189, which was introduced on April 28 by our ranking minority member, Silvio Conte. That legislation would overturn the recent administrative actions that have throttled the SBA pollution control loan guarantee program; it would restore the program to where it stood before the bureaucrats took it upon themselves to rewrite the law; and it reinstates those applications that were pending at the time of the arbitrary rules changes.

I am pleased to note that H.R. 6086, as amended, incorporates all of the key provisions contained in H.R. 6189. Passage of the legislation pending before us today will have the effect of restoring the SBA's pollution control finance program, which the members of this committee feel very strongly is needed by the small business community to help them comply with Government-imposed requirements.

Mr. Speaker, in particular, I wish to commend the gentleman from Maryland (Mr. MITCHELL) and the gentleman from Pennsylvania (Mr. McDADE) for their leadership in bringing this legislation to the floor, with the unanimous bipartisan support of the Small Business Committee.

I would also at this time like to take the opportunity to commend my colleague, the gentleman from Massachusetts (Mr. CONTE), who serves as the ranking minority member on my subcommittee and with whom it is a great pleasure to work. I appreciate the cooperation that has been shown in bringing this bill forth.

Mr. McDADE. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise in support of H.R. 6086, which passed the Small Business Committee unanimously. These are particularly hard times for small businesses, with more small businesses going down the drain than any time since the depression.

This bill alone will not turn the tide; but it will make sure that the Small Business Administration is doing its full share in assisting the sector of the economy that needs help desperately.

The impetus for this bill came from the administration, which asked for higher funding levels for programs aimed at the economically and socially disadvantaged. This bill accomplishes that.

The administration asked that all direct loans, except handicapped loans and MESBIC loans, be ended. This bill accomplishes that also.

In place of direct loans, the distinguished ranking member of the committee, JOE McDADE, proposed a distressed area loan program to provide leveraged funds to areas of high unemployment.

I cosponsored that proposal, and I commend my good friend for such a constructive approach to this country's severe unemployment problem. This proposal puts money where it is needed, in high unemployment areas, and uses it for what is most needed, to create jobs. It is a proposal we can all support. This bill also remedies an administrative problem that has arisen with the pollution control bond guarantee program. The language in this bill combines provisions introduced by the chairman of the committee, Mr. MITCHELL, with the provisions of a bill, H.R. 6189, that I introduced on behalf of myself, the chairman of the Subcommittee on Energy, Environment and Safety, Mr. BEDELL, and the entire subcommittee. As a result of an arbitrary order made by the Office of Management and Budget, which the Small Business Administration followed reluctantly, the pollution control program has been shut down cold. Zero guarantees have been made since January 1. And this is in a \$250 million program that is so successful that it actually makes money for the Government—about \$29 million a year—for guarantee fees and interest on reserves.

Small businesses, which Congress mandated must comply with stringent and expensive pollution control laws, are going begging for financing and going out of business for lack of a source of that financing. This bill restores the only pollution financing program available to small businesses the way Congress intended when the program was enacted in 1976, and to the way it has been administered up until this year. It is a program that makes money for the Government and does not cost a nickel.

Mr. Speaker, I would like to have a colloquy with my good friend, the gentleman from Maryland, the chairman of the committee.

Mr. MITCHELL of Maryland. Mr. Speaker, I would be happy to enter into a colloquy with the gentleman from Massachusetts.

Mr. CONTE. I would like to ask the gentleman whether this bill before the House does anything more than return the pollution control program to its original dimensions.

Mr. MITCHELL of Maryland. I can assure the gentleman from Massachusetts that it does nothing more than that.

Mr. CONTE. Does the language of this bill or its report alter any previous SBA rulings other than those actions taken as a result of the directions received by SBA from OMB in mid-December of 1981?

Mr. MITCHELL of Maryland. The language in the bill assuredly does not do that.

Mr. CONTE. I want to thank my good friends who are doing such a great job as chairman of our committee.

I would ask the gentleman for one further clarification. After the pollution control bond guarantee program was originally enacted, the Internal Revenue Service issued Revenue Ruling 78-171, which held that pollution control projects financed with industrial development bonds and backed with SBA guarantees would not be taxable. This ruling was based on the Service's understanding that Congress did not intend the guarantee authorized under section 404 of the Small Business Investment Act to cause the interest on bonds used to finance pollution control facilities to be includable in the gross incomes of the bondholders. I would ask the chairman of the committee whether this amendment to section 404(b) is intended in any way to provide a basis for any change in the interpretation of section 404 put forth in Revenue Ruling 78-171?

Mr. MITCHELL of Maryland. As the gentleman from Massachusetts rightly said in his statement, this amendment is intended to do no more than to restore the program to the way it has been run since the program was enacted.

Mr. CONTE. If I may follow up, would it be correct to say that the committee intends no change in the basic holding of Revenue Ruling 78-171?

Mr. MITCHELL of Maryland. That is correct. The result in Revenue Ruling 78-171 conforms to the intent behind section 404(b) as enacted and as hereby amended. The committee endorses and fully approves of Revenue Ruling 78-171, and intends no change therein.

Mr. CONTE. I thank the gentleman for answering these questions, and commend him for his leadership on this bill.

In conclusion, I urge my colleagues to support this bill for one simple reason—this bill, according to the CBO, has no significant budgetary impact. All it does is ask the SBA to

use the arsenal at its disposal to the fullest to assist small businesses in this battle for their existence. This bill is not a spending bill. It does not authorize MX's or B-1's in the battle for economic survival. What it does is tell the SBA to move into the front lines, get into the trenches, use the weapons Congress has given you to do your duty, which is more important now than at any time since the SBA was created, to help small business survive and somehow even prosper in the midst of the greatest hostilities they have ever faced.

Mr. McDADE. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Speaker, I have asked the gentleman to yield for only a couple questions.

Currently there is \$250 million for investment company loan guarantees. That is up, if I have the right figures here, from \$160 million, is it not?

Mr. McDADE. Well, I might say to the gentleman that the figure in that particular item is up, but it is reduced by other authority in the bill itself, so one would not find any increase in this entire bill. There are some specific items, including some where the administration requested that we increase the budget authority; but the overall authority of the small business authorization, may I say to my friend, is down and taken out of other existing programs.

Mr. RUDD. Well, I guess I do not quite understand on that. This is up \$267 million for economic opportunity loans and that is up \$60 million from \$107 million, is it not, or is it up \$107 million from \$60 million?

Mr. McDADE. Yes. It is up \$107 million and the administration asked for an increase in that, but we reduced the totals, let me say, in the authorization account, so that there is no net increase. There is an individual increase in this line item, much of it as requested by the administration, but then, may I say to my friend, the committee recognizing the fiscal situation in the Nation reduced other sections of the bill to accommodate that specific increase; so if you took all the specific programs within the SBA, you will find some items up, but we took the authorization away in other areas to pull it down, so we would not have a net figure showing any increases.

Mr. RUDD. Let me just ask the gentleman one more question.

Mr. McDADE. I am delighted to yield to my friend.

Mr. RUDD. Let me ask one more question which I think is of interest to a great many of us.

Personally, I have had a great quantity of mail in the past indicating that these loan guarantee programs pour money into nonprofitable businesses and discriminate in favor of minorities.

Does the gentleman have an answer for that?

Mr. McDADE. Well, may I say to my friend, the gentleman from Arizona, that we on the committee attempt to make sure that every dollar is spent wisely.

Now, there is no question that in the past there has been some unfortunate administration through several Presidencies where we believe there could have been tighter administration of all these programs.

We have made a very strong effort to legislate a new set of guidelines so that we are not burdened by an administrative decision somewhere out in the field to make a loan that neither the gentleman nor I nor most of the members of our committee might concur with.

We have taken actions to tighten those programs, so that some of the regional directors and the loan officers who are out there who in the past have done what the gentleman suggests can no longer occur. We have tightened those all up legislatively, not left it to the discretion of a new Administrator, and we do have, may I say to my friend, a new Administrator whom the President has just appointed. My own impression is that I have full faith and confidence in him. He wants to administer these programs as tightly as he can, so that we will perform the dual function of assisting the small business community, which we all favor, but not wasting one red cent of taxpayers' dollars.

The Administrator, who is down there now, is a breath of fresh air, I think, to all of us and we have confidence that he is going to run these programs, may I say to my distinguished friend, the gentleman from Arizona, with a new spirit of strong administration, yet try to help the constituency, which is the small business community that we are addressing this bill to.

Mr. RUDD. Mr. Speaker, will the gentleman yield further for just one last comment?

Mr. McDADE. Delighted to yield.

Mr. RUDD. I appreciate the gentleman's sincere effort to put this in proper perspective and to answer some of the hard questions that I have put to the gentleman.

One last question. It is my understanding that the administration opposes this legislation because of spending levels and severe conflict with budget targets.

Mr. McDADE. May I say to my friend, and let me emphasize this to my friend, because we have worked together on many bills in this body over many years; we never heard a word of opposition from the administration as we went through the markup and we started this in February. Sometime last night somebody in OMB—not the head of the SBA, they were not in-

formed—somebody in OMB contacted the legislative digest section of the House conference. They never talked to me. They did not talk to one Republican member of this committee, and I want to emphasize to my friend that the Republican side of the aisle is unanimous in support of this bill.

They did not talk to any of us, may I say to my friend. I think that is just a blatant disregard of our long efforts to bring together a bill that we can go to conference with the Senate.

There was one particular item that the administrator fought hard on. I offered the administration's amendment. We lost by one vote.

The Senate is in a different position. I think maybe when we get to conference, we can resolve that issue; but may I say, I am affronted by the way OMB acted here in not even having the courtesy to pick up the phone to discuss with me or any other member of the committee on the Republican side or the Democratic side or any of our staff people, all of whom are professional, any conceivable objection.

The language that they used, may I say to my friend, if you want to hear loose language that means nothing, listen to what they say:

... because it contains seriously objectionable provisions that are inconsistent with the administration's budget request and policies.

Where? They do not tell me where. They have not told me where. As I have indicated to my friend with his penetrating questions, we have pulled the levels of authorization in this bill down. When the administration asked for new budget authority, we pulled it down in other areas because we recognized, we are members of the same body the gentleman is, and we recognized the fiscal constraints that the country is in; so we pulled these programs back ourselves. In the last half of the ninth inning, with no conversation, up comes objectionable provisions, none of them detailed, not one of them. I find that very offensive, may I say to my friend. They should have had the courtesy to let us know even before we came out of committee, because the SBA Administrator, and I do not want to put him on the spot, he is brand new on his job and he is determined to do a good job, I do not want to put him on the spot in between. He has got to be a soldier for the administration. I understand that; but for the OMB to do that, let me say to my friend, is beyond their authority and absolutely disregards every one of us on our side of the aisle and on the Democratic side of the aisle who worked hard to produce what is a unanimous and bipartisan bill. That is why we are on the suspension calendar.

Mr. RUDD. Let me thank my colleague and friend, the gentleman from



Pennsylvania, for as always his statesmanlike response to some tough questions.

Mr. McDADE. I thank my friend, the gentleman from Arizona; it is a pleasure.

Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

Mr. MITCHELL of Maryland. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. AuCOIN).

Mr. AuCOIN. Mr. Speaker, I rise today in support of this bill and ask permission to revise and extend my remarks in this regard.

At this time, however, I want to make clear to my colleagues that I strongly object to a new provision in section 12 of this bill which prohibits the SBA from providing financial assistance to any small businesses which have anything to do with abortions.

I would like to offer an amendment to strike this incredibly inappropriate provision. But I cannot. My hands are tied by the parliamentary procedure which governs bills brought up under suspension.

The Senate bill does not have this antiabortion provision. Why?

Because it is ridiculous. The American people are wondering why we are having so much trouble doing our job in this body and I submit that this is one very good reason why. Chairmen cannot even move a bill, particularly appropriations bills, without the threat of seeing no action on them because somehow whether or not a shred of Federal funds are involved in any way with abortions becomes more important than whether or not we provide funds for Labor Health and Human Services programs, Defense programs, the Treasury and Postal Departments—and now, of all things, the Small Business Administration.

Not only is this provision totally out of place on a bill aimed at aiding this country's small businesses, its impact is unclear, and whether it can be enforced by the SBA is even less clear.

Small businesses in America need our help. They represent more than 97 percent of all American companies and they provide jobs for more than 100 million Americans, 86 percent of this Nation's new jobs will depend on small businesses. But today business failures are running at near depression levels and have risen at least 30 percent just in the past year. These businesses are paying 10 to 12 percentage points above the inflation rate on their bank loans. Any economic progress we hope for in the future depends on the vitality of this Nation's small businesses.

This legislation provides the necessary increases in funding levels for Small Business Investment Companies, Economic Opportunity Loan Guarantees and Minority Enterprise Small Business Investment Companies.

The successful results of the SBIC program are apparent. A study by Arthur D. Little, Inc. on the economic impact of SBIC financing on small businesses showed the average growth rate of SBIC companies was 10 times greater than other small businesses in terms of increased sales, employment and profits. In its 22 years, this program has helped finance the start of 42,000 small companies.

In addition, the SBIC program does not cost the taxpayer because the Federal tax revenues resulting from the program substantially exceed the program cost. For each \$1 spent to the program the Federal Government receives \$110 returned to the Treasury in revenue.

This is a good bill. I want to vote for it and I will, but I strongly urge my friend and the distinguished chairman of the Small Business Committee, Mr. MITCHELL, to work to strike the anti-abortion language during conference. And I want to leave no doubt that if this provision is not eliminated during conference, there will be a floor fight on the conference bill.

Mr. MITCHELL of Maryland. Mr. Speaker, I would like to indicate that the gentleman in the well has articulated my feelings very well. I spoke about this issue earlier. It was ruled on by the parliamentarian. There was absolutely nothing we could do about it.

I, too, do not believe that it ought to be in this bill. I hope that something can be done about it.

Mr. Speaker, I want to thank all the members of the committee who worked on the bill, particularly the ranking minority member, the gentleman from Pennsylvania (Mr. McDADE) who worked very, very hard on this bill.

I also want to thank the gentleman from Massachusetts (Mr. CONTE) and the gentleman from Iowa (Mr. BEDELL) for their assistance and expertise, particularly with the provision involving the pollution control bonds.

In addition, I want to express the committee's thanks to the Committee on Government Operations for their cooperation and suggestions on the amendment pertaining to the Commerce Business Daily publication requirements.

● Mr. FAZIO. Mr. Speaker, I note that this otherwise excellent piece of legislation contains amendments which in some way would prohibit financial assistance to any small business applicant who performs abortions, engages in abortion research, promotes or recommends abortion, or provides abortion training. This amendment was added to the bill May 11 in markup without, I believe, any testimony or much evident explanation as to what precise problem it is aimed at and what real effect it would have. There is an exemption for the performance, research, promotion, or

recommending of abortions where the life of the mother is endangered. Though the exception seems reassuring, implying both that some legislative judgment has been exercised and that relief is granted where relief is necessary, in fact the exception only compounds the ambiguity of the rule.

It would have benefited the House to have learned what small businesses the antiabortion amendment was really trying to prevent the Federal financing of. Have there been, or could there be private abortion clinics operating as small businesses? Are such the target? If the amendment aims at them, how do we know its application would stop at such businesses? Would it embrace, as on its face it literally does, a small bookstore which sells literature advocating or even objectively describing abortion or related procedures? Would an applicant be required to promise that he or she would refuse to post in a shop window messages or billboards announcing that a local planned parenthood group was meeting, or, worse, that the local revolutionary cell of the League of Women Voters had scheduled a debate on the pros and cons of legislating antiabortion statutes, particularly appending them to other statutes whose subject matter and applicability really bear no relation to the moral question abortion is?

Beyond the question of exactly what the provision applies to, there is the question of when and for how long the prohibition should apply. Would the applicant promise to make no trespass on the abortion matter initially, and then be free to revise the business later? Or would the provision apply during the life of the loan, making the loan subject to recall if the provision were violated? Perhaps the applicant would sign a pledge that never would he or she indulge in such violations, on penalty of forfeiting a bond posted against the possibility of relapse?

At this point in the legislative proceedings, Mr. Chairman, it is not worth asking that this bill be taken off suspense and amended and passed in its straightforward form as a bill to continue helping small businesses. However, I would hope that the conference could resolve the issue so that we have a better bill to pass finally.

Thank you.●

● Mr. BROOKS. Mr. Speaker, I would like to commend Chairman MITCHELL and members of the Small Business Committee for their fine efforts on this legislation. I am particularly pleased that the Government Operations and Small Business Committees have been able to work together to develop a provision to improve the small business community's access to Federal procurement information. The timely and adequate notice of pending procurement actions will help small

businesses that lack the resources to seek out this type of information. It will also increase competition by involving more firms in the Federal marketplace.

I have long held the belief that any effort to reform Government procurement practices must include a firm commitment to increase the use of competition in the Federal marketplace. Competition not only provides substantially reduced costs but also insures that new and innovative products are made available to the Government on a timely basis.

Despite the benefits that can be achieved from competition, the sad fact is that the majority of procurements by Federal agencies are non-competitive. H.R. 6086 is a good first step to reverse this dangerous and costly trend. More needs to be done, however.

The Government Operations Committee is currently working on Government-wide procurement reform legislation which will greatly increase competition and simplify Federal procurement operations so that all of American businesses—small and large alike—can participate fully.

I hope that the Small Business Committee would fully support our efforts to achieve this objective.●

Mr. PRITCHARD. Mr. Speaker, today the House is considering H.R. 6086, the Small Business Investment Act Amendments, under suspension of the rules. Whether or not one agrees with the overall intent and purpose of this bill, I wanted to make my objections known to one particular section, section 12, which I believe is unrelated to the issue under consideration today.

Section 12 would deny any financial assistance to small businesses which, in any way, deal with the issue of abortion. The measure prohibits SBA financial assistance to any applicant which performs abortions, which engages in research which relates to methods of, or performance of, abortions, which promotes or recommends abortion, or which trains any individual to perform abortions.

Over the years, I have become very disturbed with the continuing efforts to insert restrictive abortion language into many different bills, particularly in bills which have no relationship with the subject. This practice has repeatedly disrupted the legislative process. Should this bill go to conference with the Senate, and should the opportunity be available, I would urge the House conferees to drop the language in section 12.

● Mr. ALEXANDER. Mr. Speaker, it is my concern that all my colleagues be well aware of the administration's intentions regarding small business programs before they accept the proposed amendment to the Small Business Act and the Small Business Investment Act of 1958.

It is true that that administration does not support this measure as presented to us today. The reason the administration opposes this bill is that the committee gave the administration what it asked for, but threw in something else, too.

The administration asked increases in equal opportunity loan program funding—which targets aid to firms in areas with high unemployment—from \$60 million to \$167 million.

It sounds good, but something is rotten in the deal. What the administration has asked for is an increase in loan guarantees because the intention of the administration is to do away with direct loans for small business.

Well, that is fine and dandy, too, until you look at what history has told us about the guaranteed loan program. The authorization and appropriation for those guaranteed loans in 1981 was \$60 million—only \$20.4 million of that amount was placed into guaranteed loans. Our financial institutions are not interested in being a third party in the program and who can blame them with the economy in recession?

What this bill does in addition to giving the administration what it asks for is to also continue the direct loan program—at a much reduced level under tighter controls and by setting priorities for areas with persistent records of high unemployment. I support a continuation of the direct loan program because I feel that small businesses, which provide more than 90 percent of the new jobs in this Nation, need some support to play the role they can in lessening the highest rate of unemployment in more than 40 years in this Nation. History has demonstrated that this support will not come through a guaranteed loan program.

While I support the bill for this reason, my main concern today is that all my colleagues, including those who are inclined to vote against it, understand the roundabout way the administration is working to achieve its aims.●

● Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 6086, the Small Business Investment Act.

The passage of this bill will be of great benefit to our Nation's economy. As you know, small businesses have played a key role in the development of our economy and in the creation of jobs during the last few years.

This bill will increase funding for two vital SBA programs: the equal opportunity loan program which targets aid to firms in areas with high unemployment and increases the current authorization guarantees for minority enterprises SBIC loans. This bill also offers a variety of programs to help small businesses attract capital. It provides direct loans and guarantees

loans, bonds, and equity funds issued by private sources.

I urge my colleagues to vote in favor of this bill that will help to concentrate small business effort in those areas and communities where we need it more.●

● Ms. FERRARO. Mr. Speaker, the legislation we are considering is essentially a reauthorization of the Small Business Administration Act. As a strong supporter of small business, and one who understands the tremendous contributions of small businesses to our Nation's economic well-being and to job creation and technological advances, I believe we should act promptly to pass this bill and move it through conference with the Senate and on to the President for signature. The bill makes important changes and improvements in our Federal small business programs at a time when business failures are at their highest level since the depths of the Great Depression.

But there is one provision in this legislation which I vigorously oppose. Frankly, it's outrageous and incredible that the provision even appears in this bill. It is opposed by the chairman of the Committee on Small Business. It is totally unrelated to the purpose of the legislation.

The provision, contained in section 12 of H.R. 6086, would prohibit SBA assistance to any applicant which performs abortions, which engages in research which relates to methods of, or performance of, abortions, which promotes or recommends abortion, or which trains any individual to perform abortions.

The 3½ years I have spent in this House have seen a steady expansion of legislative targets for antiabortion riders. First, we completely frustrated any efforts to produce an appropriations bill for the Departments of Labor and HHS (then HEW). Then we moved on to the appropriations bill on Defense, and then the District of Columbia, and then the Treasury-Postal-General Government. We also dealt with the issue on the child health assistance planning bill.

I have consistently opposed all these efforts to inject the Government into what is an intensely personal decision for a woman and her doctor as inappropriate in a free society and as blatantly antiwomen.

Now the ideologues have produced a provision that is, in its way, the worst of the lot. There is not any shred of rational relationship between the purpose of the bill, which is to promote small business, and the provision on abortion. Not only is it bad policy, but it is terrible legislation. It must be removed.

Mr. Speaker, I do not propose to try to defeat what is an excellent and essential bill because of one odious pro-



vision. My sincere hope, however, is that the House conferees on this bill will agree to drop it in conference. Since the Senate bill includes no such provision, this result can easily be achieved, and it will bring better social policy and better small business policy.●

● Mr. BIAGGI. Mr. Speaker, I rise in support of this bill, H.R. 6086, which would provide much needed financial assistance to our Nation's 15 million small businesses.

The major features of this important measure would:

Increase funding levels for Small Business Administration loan guarantee programs;

Establish small business firms located in persistent high unemployment areas as priority targets for SBA direct loans;

Overturn an SBA decision to deny loan guarantees when tax-exempt Industrial Revenue Bonds (IRB's) are involved;

Freeze the current maximum interest rate charged for SBA-guaranteed loans through June 30, 1983; and

Require SBA to use all of its funds unless there is a lack of demand for those funds.

Simply stated, this legislation aims to help small businesses attract the capital they need to help bolster our Nation's weakened economy. The Small Business Development Act of 1980 established authorization levels and loan ceilings for SBA programs through fiscal year 1984. However, those levels of funding have proven insufficient to deal with the current economic climate. H.R. 6086 would provide the additional assistance that is necessary.

Clearly, if our Nation's economic recovery effort is to be successful, we must do everything possible to stimulate small business growth. Evidence to this fact can be seen through a number of telling statistics. First, small business accounts for nearly half of our Nation's private gross national product (GNP). Second, small business provides the overwhelming majority of new private sector jobs. Third, small business has proven to be far more innovative per R. & D. dollar than larger firms.

At the same time, however, small business is being forced out of the short-term bank borrowing market—its primary source of capital financing—by current economic conditions. That is why this legislation is so important. It would help to insure that adequate capital can continue to be made available to those firms which can do so much, if given the chance, to strengthen our troubled economy.

I am especially impressed with the emphasis this legislation places on aid to minority enterprises and areas of high unemployment. Specifically, this measure would increase loan guaran-

tees to minority enterprise small business investment companies (SBIC's) from \$37 million to \$41 million for both fiscal year 1983 and 1984, and it would increase equal opportunity loan program funding—which is targeted to areas with high unemployment—from \$60 million to \$167 million.

Mr. Speaker, at a time when our Nation is facing one of its most difficult economic crises in history, we must do all we can to promote the vast energies and creative genius of small business. I urge the passage of H.R. 6086 as a major step in that direction.●

● Mr. IRELAND. Mr. Speaker, I rise in support of H.R. 6086. In spite of the budget constraints we faced, I believe the committee has come up with an overall piece of legislation that will be beneficial to the small business community. By no means however, should we deceive ourselves into thinking that such legislation is the total answer for all small businesses. We must continue to work for small business in our committee and every other committee in the House and Senate. For everything we do in the Congress affects small business and we should realize that.

I would like to address one specific part of the legislation. We incorporated H.R. 5551 into this bill. H.R. 5551 was introduced by our distinguished full committee chairman and myself in February. What we have done is to provide 45 days notice between publication of the notice of a procurement opportunity and the letting of the contract. Over the years we have discovered that small businesses have not had enough time to take advantage of available contracting opportunities.

It is administrative practice to publish procurement notices in the Commerce Business Daily 10 days before the issuance of a solicitation, but the practice is not constant, and a notice often first appears on the date a solicitation is issued. In addition, regulations presently provide for a minimum bidding time of 20 calendar days except where "special circumstances" call for a shortened time period. What you have then, instead of a cumulative period of 30 days for solicitation and bid, is an arbitrarily imposed time-frame which exists solely at the procuring agency's discretion. The small firm is at a clear disadvantage since it often lacks the financial and human resources necessary to monitor this discretionary, fluctuating process. To compound the situation further, the poor timing of solicitation notices limits a business already functioning at capacity and its ability to prepare and submit timely bids. We have now taken a legislative initiative to address this problem.

The small business community owes a debt of gratitude to the smaller business association of New England who

brought this issue to the Small Business Committee's attention and then worked very hard to insure its passage.●

Mr. MITCHELL of Maryland. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. MITCHELL) that the House suspend the rules and pass the bill, H.R. 6086, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes."

A motion to reconsider was laid on the table.

Mr. MITCHELL of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1947) to improve small business access to Federal procurement information, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate bill, as follows:

#### S. 1947

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8(e) of the Small Business Act is amended to read as follows:*

"(e)(1) It shall be the duty of the Secretary of Commerce, and the Secretary is hereby empowered, to obtain notice of all proposed competitive and noncompetitive defense procurement actions of \$10,000 and above, and all competitive and noncompetitive civilian procurement actions of \$5,000 and above, from any Federal department, establishment or agency engaged in procurement of property, supplies and services in the United States; and to publicize such notices in the daily publication Commerce Business Daily, immediately after the necessity for the procurement is established: *Provided*, That nothing in this paragraph shall require publication of such notices with respect to those procurements (A) which for security reasons are of a classified nature, or (B) which are for utility services and the procuring agency in accordance with applicable law has predetermined the utility concern to whom the award will be made, or (C) which are made from another Government department or agency, or a mandatory source of supply, or (D) in which only foreign sources are to be solicited, or (E) which are determined in writing by the head of the agency, with the concurrence of the Administrator, that advance publicity is not appropriate or reasonable.

"(2) Except as provided in paragraph (3), whenever a procuring activity is required to

publish notice of procurement actions pursuant to paragraph (1) of this subsection, such activity may not—

"(A) issue a solicitation until at least fifteen days have elapsed from the date of publication of a proper notice of the action in the Commerce Business Daily, except where the solicitation will be for procurement of requirements classified as research or development effort, in which case until at least forty-five days have elapsed from the date of such publication; or

"(B) foreclose competition until at least thirty days have elapsed from either (i) the date of issuance of the solicitation, or (ii) in the case of orders under a basic agreement, basic ordering agreement, or similar arrangement, the date of publication of a proper notice of intent to place the order; or

"(C) commence negotiations for the award of a sole source contract until at least thirty days have elapsed from the date of publication of a proper notice of intent to contract that provides such specifications and information as practicable regarding the service or performance, and that interested persons are invited to respond or submit proposals in response to such notices within such period of time.

"(3) Nothing in paragraph (2) shall require compliance with any such minimum periods if—

"(A) the procurement action is to be made by an order placed under an existing contract; or

"(B) the procuring activity determines in advance in writing on a case-by-case basis that, with respect to any such procurement action (i) it is of such unusual and compelling emergency that the Government would be seriously injured if the time periods in paragraph (2) were complied with; or (ii) it involves perishable subsistence supplies and it is determined that it is impracticable to comply with such minimum periods.

"(4) Notwithstanding any other provision of law, a procuring activity may not enter into negotiations for the award of a sole source contract for more than \$100,000 unless—

"(A) the head of the procuring activity has approved the proposal to negotiate such a contract; and

"(B) the procuring activity has considered all responses to the notice of procurement action as required in paragraph (2) of this subsection.

"(5) As used in this section, the term 'sole source contract' means a contract for the purchase of property, supplies or services which is entered into or proposed to be entered into by an agency after soliciting or negotiating with only one source."

(b) The amendments made by this Act shall apply with respect to procurement actions to be initiated forty-five days after the date of enactment of this Act.

#### MOTION OFFERED BY MR. MITCHELL OF MARYLAND

Mr. MITCHELL of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MITCHELL of Maryland moves to strike out all after the enacting clause of the Senate bill, S. 1947, and to insert in lieu thereof the provisions of H.R. 6086, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

□ 1300

The title of the Senate bill was amended so as to read: "A bill to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes".

A motion to reconsider was laid on the table.

A similar House bill (H.R. 6086), was laid on the table.

#### APPOINTMENT OF CONFEREES ON S. 1947

Mr. MITCHELL of Maryland. Mr. Speaker, I now ask unanimous consent that the House insist on its amendment to the Senate bill, S. 1947, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland? The Chair hears none, and without objection, appoints the following conferees: Messrs. MITCHELL of Maryland, SMITH of Iowa, ADDABBO, GONZALEZ, RICHMOND, HATCHER, SAVAGE, McDADE, CONTE, STANTON of Ohio, BROOMFIELD, and WILLIAMS of Ohio.

There was no objection.

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 5705

Mr. BENEDICT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 5705, the Home Recording Act of 1982.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

#### THE GLADYS NOON SPELLMAN PARKWAY

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4848), entitled, "The Gladys Noon Spellman Parkway," as amended.

The Clerk read as follows:

H.R. 4848

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress finds that Gladys Noon Spellman, elected to four terms in the House of Representatives from the State of Maryland, should be afforded recognition not only for her personal efforts in upgrading one of the Capital region's most important transportation corridors, but more broadly for the dedication, commitment, and concern she expended on behalf of the people of Maryland. The quality of her service to the public exemplifies the high ideals and principles she held paramount.

Sec. 2. The parkway under the jurisdiction of the Secretary of the Interior, in the State of Maryland known as the Baltimore-Washington Parkway, shall hereafter be known and designated as the "Gladys Noon Spellman Parkway". Any reference in any sign, law, map, regulation, document, record, or other paper of the United States to such parkway shall be held to be a reference to the "Gladys Noon Spellman Parkway" and any future signs, regulations, records, maps, or other documents of the United States referring to this parkway shall bear the name

"Gladys Noon Spellman Parkway". The Secretary of the Interior shall, before October 1, 1983, replace the existing signs for such parkway with appropriate signs designating the parkway as the "Gladys Noon Spellman Parkway".

Sec. 3. The Secretary of the Interior is authorized and directed, in cooperation with the State of Maryland, to design and erect at a suitable location adjacent to the Gladys Noon Spellman Parkway an appropriate marker commemorating the outstanding contributions of Gladys Noon Spellman.

Sec. 4. Effective October 1, 1982, there are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. SEIBERLING) will be recognized for 20 minutes, and the gentleman from Alaska (Mr. YOUNG) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, H.R. 4848 is a very simple bill to honor Gladys Noon Spellman by naming the Baltimore-Washington Parkway the Gladys Noon Spellman Parkway.

Gladys Spellman, all those who served with her will remember with pleasure, was a four-term Member of the House of Representatives and she was instrumental in obtaining the cooperation of the State of Maryland, local governments and Federal agencies to improve and maintain this parkway as a pleasant, vital transportation corridor between Washington, D.C., and Baltimore. More importantly, Mrs. Spellman served this body with great distinction as a Member of Congress whose high ideals and principles never wavered in the face of conflict and pressure that accompanies the role of a Representative.

Mr. Speaker, I wish to commend our distinguished colleague from Maryland, Mr. STENY HOYER, for the development of this legislation to honor in a small way the outstanding contributions of Gladys Noon Spellman.

I urge that all of our colleagues join in supporting this legislation.

Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. DOWNEY. Mr. Speaker, will the gentleman from Maryland yield?

Mr. HOYER. I yield to the gentleman from New York (Mr. DOWNEY), a cosponsor.

Mr. DOWNEY. Mr. Speaker, in her four terms in the House of Representatives, Gladys Noon Spellman left a legacy of competence and hard work to all those fortunate enough to have had the opportunity of working with her. It is this legacy that I believe would be upheld by the resolution before us today.



Gladys Noon Spellman's career places her commitment to the Prince Georges constituency in vivid perspective. From public school teacher to county council member, to Congresswoman, Gladys' dedication to her area has never missed a step. And I would like to point out that there could never be a doubt that this area was first and foremost, her home.

The Fifth Congressional District of Prince Georges County is a Federal employee community. There has probably never been a more outspoken and skillful representative of this voice in Congress. Her representation covered both the rights and benefits of these workers, but also their morale as well. Demanding the respect of Members on both sides of the aisle, Gladys represented an outspoken voice for a population and area that is importantly concerned with parochial but also national interests. Those who sought a hearing on Capitol Hill could always find a welcome ear in Gladys' office. Her large and growing margin of election victories is the clearest indication of just the amount of support she represented.

There is little doubt that Gladys Spellman's political future was of the greatest potential. It is only the most unfortunate and unpredictable of circumstances that could have brought such a career to an end. It is my hope that we will allow her career and all that it embodied to live on in a fitting salute.

I urge my colleagues to join me in support of this tribute to an individual this area cannot afford to forget.

Mr. HOYER. Mr. Speaker, I rise in support of H.R. 4848, the legislation which would change the name of the Baltimore-Washington Parkway to the Gladys Noon Spellman Parkway.

There are many Members of this House of Representatives who served with my predecessor, Gladys Spellman. So many of you have told me that you admire and respect her as a legislator and even more, you are especially fond of this vivacious, friendly, warm, and caring woman. Hardly a day goes by that one of my colleagues or a staff member does not stop me to ask about Gladys' present condition which, I am sorry to relate, remains unchanged with little hope that it will ever improve. Therefore, I believe, Mr. Speaker, that it is most appropriate and timely that we, in the House, show our great esteem for our former colleague and for the quality of service she so ably gave the Fifth District of Maryland by insuring the passage of this measure.

Gladys Spellman has many friends in this House of Representatives evidenced by the 162 cosponsors of the parkway bill. And she has many friends, too, in the Fifth District of Maryland where she lived and served the public for many decades. Indeed,

Mr. Speaker, when I first introduced H.R. 4848, our office received letter upon letter of support from grateful people who remembered her efforts to improve the parkway. There were other letters from supporters who pointed out how involved Gladys was in the upgrading of our schools, the improvement of health care for our citizens, and the development of parklands and roads—to name just a few. Her positive presence is felt in almost every facet of our community life.

We also have had the very important support from those in the public sector, such as the Governor of Maryland, the Prince Georges County council, the Prince Georges municipal association, the Prince Georges Chamber of Commerce, and from each of the towns along the parkway. The Assembly of the State of Maryland, during its 1982 session, adopted a bill which mirrors H.R. 4848. It will make all the name changes on the necessary signs and documents on the State's portion of the parkway. It is a companion effort to see that the entire parkway consistently reflects the name Gladys Noon Spellman Parkway. I am happy to report that the Governor has signed the State bill into law.

There have been a few people, of course, who presented me with the view that a slab of blacktop may not be a fitting tribute to a woman who is warm, personable, and so effective. To their credit, they believe—and I join them in that view—that a renaming of a hospital or school would also be a suitable recognition of her contributions. I submit, however, that while their thoughts are admirable, even schools are cold brick and mortar, and while Gladys made significant contributions to both health care and education throughout her public career, it was the parkway which captured her heart and spirit.

Mrs. Dorothy Lupo, Gladys Spellman's sister, said it best, I think, when she wrote to a local newspaper regarding the renaming. She said:

To Gladys, the parkway was more than just a commuter road. She loved it from the time it was first constructed. We could never ride with her and not hear her comment . . . on its elegant beauty, its magnificent trees, its graceful curves . . . Gladys thought of the parkway as majestic and beautiful . . . that's just the way so many of us think of her. But even more, we think of her much as the parkway suggests—busy, vibrant, every moving.

By those eloquent words, I believe Mrs. Lupo has captured the essence of the meaning in renaming the parkway.

As many of you know, the Baltimore-Washington Parkway is the major north-south artery which could be called the lifeline of Maryland's current Fifth Congressional District. It bisects the district and carries daily tens of thousands of area residents to and from jobs in Washington, Balti-

more, and points inbetween. Virtually anyone and everyone who drives a vehicle in this area uses the parkway at some point during the course of a typical week.

Despite the key role the parkway plays in the lives of area residents, in January of 1975, it was in considerable disrepair. Gladys Spellman was just sworn into the House of Representatives at that time, and had joined the thousands of daily commuters on the parkway, from her home in Laurel to her office here in Washington, suffering along with them the bumps and thumps of the badly deteriorated surface.

Tempers flared when antiquated entrance lanes would not allow high-speed access, creating gigantic traffic backups during rush hours. Front-end alignments were everyday repair chores for automobile owners unable to dodge the steady stream of potholes, ruts, and other breaks in the pavement. It was costly, unpleasant, and downright hazardous to travel the parkway in those days.

Many of you may recall that there had been a longstanding intergovernmental impasse which prevented the much-needed reconstruction of the parkway and it was obvious that interim remedies were necessary if the road was to stay open at all. The newly elected Congresswoman went to work on the parkway problem immediately, and things began to happen. Appeals to the House Appropriations Subcommittee on the Interior, important assistance from subcommittee chairman SIDNEY R. YATES III, and help from another member of the subcommittee, Maryland Representative CLARENCE LONG, enabled Gladys Spellman to free up \$5.7 million in new funds for the repair work. Mrs. Spellman then guided the appropriation first through the House and then the Senate, working closely with the Maryland Senators, to finally achieve the President's signature. Many would have considered enactment of that appropriation the final step—the crowning achievement—of their efforts to aid the parkway and its users. But not Gladys Spellman. She knew her work was just beginning. With the money now available, she set about the task of having the repair work completed as quickly as possible and with a minimum of disruption for the commuting public.

After expediting the awarding of the construction contract, Mrs. Spellman, using her exceptional skills as a negotiator, called together at a meeting at her home, officials of the National Park Service, the construction company, and numerous citizens' groups from the Fifth District. She arranged to have much of the reconstruction work done at night and on weekends, when it would least interfere with the vital parkway traffic. It was the Bicen-

ennial Year and the unprecedented arrangements to accomplish the repaving neither impeded nor interrupted the increased tourist traffic arriving to celebrate our Nation's 200th birthday.

The bulk of the upgrading was completed by 1976. But followup work on access ramps continued for several more years under Mrs. Spellman's watchful eye. The Fifth District Congresswoman became so personally identified with the parkway work that, right up to the day her seat was vacated due to her untimely illness, she continued to receive letters from grateful constituents thanking her for her efforts on their behalf.

Gladys Spellman was a dedicated, committed public servant whose unflagging spirit we all admire. To place her name on the parkway which runs through the very heart of the county Gladys loves, a parkway which passes by so many communities upon which she left her mark, will be a lasting monument to her good work. Paying tribute to Gladys Spellman, a truly outstanding public official, in this manner is a most appropriate action. With the passage of H.R. 4848, she will not be forgotten by any of us and she will daily be remembered by those who travel along the grateful path of the Gladys Noon Spellman Parkway. I urge my colleagues to adopt H.R. 4848, the Gladys Noon Spellman Parkway.

Mr. SEIBERLING. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Maryland, (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Speaker, I rise in support of H.R. 4848, legislation to designate the Baltimore-Washington Parkway as the "Gladys Noon Spellman Parkway." The measure also authorizes the Secretary of the Interior, in cooperation with the State of Maryland, to design and erect a marker, at a suitable location adjacent to the parkway, commemorating the outstanding contributions of our former colleague.

It is true that Gladys Spellman was instrumental in obtaining Government cooperation and funding for the maintenance of this parkway. However, this is certainly not the only reason we should choose to honor her in this way.

Former Representative Spellman served four terms in this House, and I do not believe there is a Member or staffer with whom she has worked who could deny that she was an inspiration. Her unyielding dedication to her immediate constituency did not preclude an intense emphasis on human rights and dignity for all people.

It is only fitting that the 19 miles which link the cities of Baltimore and Washington be renamed in the honor of one who has fought heartily, and oftentimes, successfully to protect our Federal workers. I can reflect on many

days when Gladys and I stood together in an attempt to stave off efforts to deny equitable benefits to these workers. Her eloquence on the floor of the House and in committee was only exceeded by the very personal touch which she brought to each of her many areas of pursuit. These areas included health care, education, and sufficient economic and social opportunities for all people regardless of race or economic status.

Mr. Speaker, I would only urge that we vote for H.R. 4848 overwhelmingly. I am proud to be a cosponsor of this legislation, and there should not be any doubt that the outstanding contributions of Gladys Noon Spellman deserve such a tribute.

Let me also add that words nor gestures are never adequate enough to say thank you. We can only honor those who have worked so hard by the tokens of appreciation provided in the legislation before you. Gladys Spellman is among those who have worked hard, and I urge strongly that each of my colleagues cast a favorable vote for H.R. 4848 in her honor.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the bill now under consideration (H.R. 4848) which would rename the current Baltimore-Washington Parkway as the Gladys Noon Spellman Parkway.

This parkway is administered by the National Park Service and is a principal transportation corridor between the cities of Baltimore and Washington, D.C. While the naming of national park system units after individuals is often a matter of controversy due to longstanding policy to not do so, this is not the case in this instance. The Baltimore-Washington Parkway is technically not an individual unit of the national park system, as it is administered as a part of the National Capital Parks, which is a collection of numerous areas administered by the National Park Service in the region of the Nation's Capital.

Mr. Speaker, Gladys Noon Spellman served with distinction as a Member of the House of Representatives. She contributed a great deal of effort toward the betterment of this parkway during her period of representation of the congressional district through which much of the parkway is located. I believe it is entirely appropriate that she be commemorated in the manner set forth by this bill, and I urge my colleagues to support this measure.

● Mr. BARNES. Mr. Speaker, I commend my colleague from Maryland, STENY HOYER, for his initiative in introducing this bill and for his efforts in bringing it to the House floor. This measure would rename the Baltimore-Washington Parkway as the Gladys

Noon Spellman Parkway, and I urge my colleagues to support it.

During her tenure as Representative of Maryland's Fifth Congressional District, Gladys earned a reputation as a superb Congresswoman. She came to be known for her effective advocacy of the interests of Federal employees; for her excellent constituent casework and responsiveness to district concerns; and for her activism on regional issues, such as the construction of the area's Metro subway system. One of her countless accomplishments on the local scene was her expert arrangement, in a complicated political setting, for timely and needed repairs to the Baltimore-Washington Parkway.

If this bill is signed into law, as I hope it will be, the Gladys Noon Spellman Parkway will serve as a reminder of her contribution to Maryland and to its citizens over 20 years as a dedicated public servant. It will remind us what a friend we have in Gladys Spellman. She holds a very special place in the hearts of Marylanders, and in the hearts of her colleagues here in the House.

Gladys Spellman is a close friend of mine, and I know that she counted her work on the Baltimore-Washington Parkway as one of her important achievements. This bill is a fitting tribute to her efforts, and I urge my colleagues in the House to support it. ●

● Mr. BIAGGI. Mr. Speaker, I wish to rise and lend my support to the pending bill which renames the Baltimore-Washington Parkway after our beloved friend and former colleague Gladys Noon Spellman.

Those of us who had the pleasure to serve with Gladys miss her and remain shocked over the sudden turn of events which caused her to leave this body. We are grateful that we can in some small way pay honor to this fine woman who gave this body and the citizens of Prince Georges County in Maryland 8 years of dedicated and distinguished service.

Anyone who has lived in this area for any period of time has traveled on the Baltimore-Washington Parkway. It is the primary connecting road between the two great cities and is the gateway of the Washington to New York road route. It is a roadway which is both busy and beautiful. Its rolling hills and lush woods are settling to the daily commuter. It is a road which Gladys Spellman loved dearly.

We all still hope and pray that Gladys may recover from the massive heart attack she suffered. In the interim let us again thank Gladys for her fine work and career and service to the people of Maryland and the Nation. I urge adoption of this bill. ●

● Ms. MIKULSKI. Mr. Speaker, Gladys Noon Spellman is a friend as well as a colleague. It is fitting that the name of the Baltimore-Washing-



ton Parkway be changed to the Gladys Noon Spellman Parkway. Her ability to organize and get the job done for her constituents along the road was key to her success as a Congresswoman. Her reliability, her steady and soothing manner made her a welcome associate.

Above all her loyalty to her constituents is a model for all of us here. Her mission as a Representative was to look after the needs of the people in her district. We cannot forget that she was the driving force behind the resurfacing of the parkway we seek to rename in her honor; an effort that all who drive the road appreciate.

It is a small token of our love and respect for someone who has touched our lives that I urge the passage of this bill. ●

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SEIBERLING. Mr. Speaker, I want to urge all of our colleagues again to support this bill to honor our beloved former colleague, Gladys Noon Spellman. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. SEIBERLING), that the House suspend the rules and pass the bill H.R. 4848, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks in the RECORD on the measure just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### AMERICAN CONSERVATION CORPS ACT OF 1982

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4861) to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4861

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION 1. This act may be cited as the "American Conservation Corps Act of 1982".

#### CONGRESSIONAL FINDINGS AND PURPOSE

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) public lands, resources, and facilities, including parks, rangelands, wildlife refuges, forests, water resources, fishery facilities, historic and cultural sites, and urban and community resources, have become subject to increasing public use and resource production demands;

(2) the conditions of many of these lands, resources, and facilities has deteriorated as a result of these increasing uses and demands and as a result of the inability of Government agencies to adequately staff and fund the maintenance necessary to arrest the deterioration;

(3) public land management agencies have a responsibility to assure that public lands and resources are managed—

(A) to assure continued productivity,

(B) to protect public health and safety, and

(C) to assure their wise and economic conservation, maintenance, and use;

(4) a program designed to systematically guide and enhance the conservation, rehabilitation, and improvement of our public lands, resources, and facilities is urgently needed; and

(5) youth conservation programs have proven highly successful and cost effective in providing training and jobs for unemployed youth and in assisting land management agencies at all levels of government to reduce the backlog of neglected public land conservation, rehabilitation and improvement projects and to carry out other public land resource management work.

(b) PURPOSE.—It is the purpose of this Act to—

(1) reduce the backlog of conservation, rehabilitation, and improvement work on the public lands, prevent the further deterioration of public lands and resources and facilities, conserve energy and restore and maintain community lands, resources, and facilities;

(2) establish an American Conservation Corps to carry out a program to improve, restore, maintain, and conserve public lands and resources in the most cost-effective manner;

(3) use such program to assist State and local governments in carrying out needed public land and resource conservation, rehabilitation, and improvement projects;

(4) provide for implementation of the program in such manner as will foster conservation and the wise use of natural and cultural resources through the establishment of working relationships among the Federal, State, and local governments, Indian tribes, and other public and private organizations; and

(5) use this program to increase (by training and other means) employment opportunities for young men and women especially those who are economically, socially, physically, or educationally disadvantaged and who may not otherwise be productively employed.

#### DEFINITIONS

SEC. 3. For purposes of this Act:

(1) The term "Secretary" means the Secretary of the Interior, except where otherwise expressly provided.

(2) The terms "public lands" and "publicly owned lands" mean any lands and waters (or interest therein) owned or administered by the United States or by any agency or instrumentality of a State or local government.

(3) The term "program" means the public lands conservation, rehabilitation, and improvement program established under this Act.

(4) The term "program agency" means any Federal agency or instrumentality with responsibility for the management of any public or Indian lands, any State agency designated by the Governor to manage the program in that State, and the governing body of any Indian tribe.

(5) The term "Indian tribe" means any Indian tribe, band, nation, or other group which is recognized as an Indian tribe by the Secretary. Such term also includes any Native village corporation, regional corporation, and Native group established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1701 et seq.).

(6) The term "Indian" means a person who is a member of an Indian tribe.

(7) The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for individual Indians or Indian tribes, and any real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States.

(8) The term "employment security service" means the agency in each of the several States with responsibility for the administration of unemployment and employment programs, and the oversight of local labor conditions.

(9) The term "chief administrator" means the head of any program agency as that term is defined in paragraph (4).

(10) The term "enrollee" means any individual enrolled in the American Conservation Corps in accordance with section 5.

(11) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territories of the Pacific Islands.

#### PUBLIC LANDS CONSERVATION, REHABILITATION, AND IMPROVEMENT PROGRAM

SEC. 4. (a) ESTABLISHMENT AND ADMINISTRATION OF PROGRAM.—Not later than ninety days after the enactment of this Act, the Secretary, in cooperation with the Secretary of Agriculture and after consultation with the Secretary of Labor, shall establish and administer a public lands conservation, rehabilitation, and improvement program to carry out the purposes of this Act. Under such program, the Secretary shall provide assistance to program agencies for the establishment and operation of residential and nonresidential American Conservation Corps centers and for the implementation of projects designed to carry out such purposes.

(b) PROJECTS INCLUDED.—The program established under this section may include, but shall not be limited to, projects such as—

(1) forestry, nursery, and silvicultural operations;

(2) wildlife habitat conservation, rehabilitation, and improvement;

(3) rangeland conservation, rehabilitation, and improvement;

(4) recreational area development, maintenance, and improvement;

(5) urban revitalization;

(6) historical and cultural site preservation and maintenance;

(7) fish culture and habitat maintenance and improvement and other fishery assistance;

(8) road and trail maintenance and improvement;

(9) erosion, flood, drought, and storm damage assistance and control;

(10) stream, lake, and waterfront harbor and port improvement, and pollution control;

(11) insect, disease, rodent, and fire prevention, and control;

(12) improvement of abandoned railroad bed and right-of-way;

(13) energy conservation projects and renewable resource enhancement;

(14) recovery of biomass from public lands, particularly forestlands; and

(15) reclamation and improvement of strip-mined lands.

(c) **PREFERENCE FOR CERTAIN PROJECTS.**—The program shall provide a preference for those projects which—

(1) will provide long-term benefits to the public;

(2) will provide meaningful work experience to the enrollee involved;

(3) will be labor intensive; and

(4) can be planned and initiated promptly.

(d) **LIMITATION TO PUBLIC LANDS.**—Projects to be carried out under the program shall be limited to projects on public lands or Indian lands except where a project involving other lands will provide a documented public benefit and reimbursement will be provided to the program agency for that portion of the total costs of the program which does not provide a public benefit. Notwithstanding any other provision of law, any reimbursement referred to in the preceding sentence shall be retained by the program agency and shall be used by the agency for purposes of carrying out other projects under the program.

(e) **CONSISTENCY.**—The Secretary and the chief administrators of other program agencies shall assure that projects selected under this Act for conservation, rehabilitation, or improvement of any public lands are consistent with the provisions of law relating to the management and administration of such lands and with all other applicable provisions of law.

(f) **CONSERVATION CENTERS.**—(1) Each program agency may apply to the Secretary for approval of conservation centers to carry out projects under this Act.

(2) Applications for approval of conservation centers shall be submitted to the Secretary in such manner as the Secretary may prescribe. Each application shall contain, in such detail as the Secretary deems necessary—

(A) a comprehensive description of the objectives and performance goals for the conservation center and a description of the types of projects to be carried out, including a description of the types and duration of training (including work experience) to be provided;

(B) a description of the facilities and equipment to be available for use in the center;

(C) an estimate of the number of enrollees and crew leaders necessary for the proposed projects, the length of time for which the services of such personnel will be required, and the services which will be required for their support;

(D) a plan for managing the conservation center, supplying the necessary equipment and material, and administering the payroll; and

(E) such other information as the Secretary shall prescribe.

(3) In approving conservation centers, the Secretary shall give due consideration to the cost and means of transportation available between the center and the homes of the enrollees who may be assigned to those centers. The location and type of conservation centers shall be selected in such manner as will increase the enrollment of economically, socially, physically, and educationally disadvantaged youths, and of youths from areas of high unemployment.

(g) **LOCAL GOVERNMENT PARTICIPATION.**—Any State carrying out a program under this Act shall provide a mechanism under which local governments in the State may be approved by the State to participate in the program and to carry out projects in accordance with the requirements of this Act.

(h) **AGREEMENTS.**—Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the management of conservation centers under the program.

(i) **JOINT PROJECTS.**—The Secretary is authorized to develop jointly with the Secretary of Labor regulations designed to allow, where appropriate, joint projects in which activities supported by funds authorized under this Act are coordinated with activities supported by funds authorized under employment and training statutes administered by the Department of Labor (including the Comprehensive Employment and Training Act and any successor statutes). Such regulations shall provide standards for approval of joint projects which meet both the purposes of this Act and the purposes of such employment and training statutes under which funds are available to support the activities proposed for approval. Such regulations shall also establish a single mechanism for approval of joint projects developed at the State or local level.

#### ENROLLMENT, FUNDING, AND MANAGEMENT

SEC. 5. (a) **ENROLLMENT IN PROGRAM.**—(1) Enrollment in the American Conservation Corps shall be limited to individuals who, at the time of enrollment, are—

(A) unemployed;

(B) not less than sixteen or more than twenty-five years of age (except that programs limited to the months of June, July, and August may include individuals not less than fifteen years and not more than twenty-one years of age at the time of their enrollment); and

(C) citizens or lawful permanent residents of the United States or lawfully admitted alien parolees or refugees.

(2) Except in the case of a program limited to the months of June, July, and August, individuals who at the time of applying for enrollment have attained age sixteen but not attained age nineteen, and who are no longer enrolled in any secondary school shall not be enrolled unless they give adequate written assurances, under criteria to be established by the Secretary, that they did not leave school for the express purpose of enrolling.

(3) The selection of enrollees to serve in the American Conservation Corps in any conservation center shall be the responsibility of the chief administrator of the program agency. Enrollees shall be selected from those qualified persons who have—

(A) applied to, or been recruited by, the program agency, a State employment security service, a prime sponsor under the Comprehensive Employment and Training Act (or comparable entity under any successor statutes), community or community-based nonprofit organization, the sponsor of an

Indian program, or the sponsor of a migrant or seasonal farmworker program; and

(B) been screened for eligibility and referred to the program agency by the State employment security service.

(4) In the recruitment and selection of enrollees, special consideration shall be given to both—

(A) economically, socially, physically, and educationally disadvantaged youths, and

(B) youths residing in areas, both rural and urban, which have substantial unemployment.

(5)(A) Except for a program limited to the months of June, July, and August, any qualified individual selected for enrollment may be enrolled for a period not to exceed twenty-four months. When the term of enrollment does not consist of one continuous twenty-four-month term, the total of shorter terms may not exceed twenty-four months.

(B) No individual may remain enrolled in the American Conservation Corps after that individual has attained the age of twenty-six.

(b) **SERVICES, FACILITIES, SUPPLIES, ET CETERA.**—The program agency shall provide such quarters, board, medical care, transportation, and other services, facilities, supplies, and equipment as the Secretary deems necessary for conservation centers. Whenever possible, the Secretary shall make arrangements with the Secretary of Defense to have such logistical support provided by a military installation near the proposed center, including the provision of temporary tent centers where needed. The Secretary shall establish basic standards of health, nutrition, sanitation, and safety for all conservation centers, and shall assure that such standards are enforced.

(c) **CONSERVATION CENTER MANAGEMENT.**—Every conservation center shall have sufficient supervisory staff appointed by the chief administrator which may include enrollees who have displayed exceptional leadership qualities.

(d) **FUNDING.**—(1) The Secretary may award grants to, or enter into agreements with, program agencies for the funding and operation of conservation centers approved by the Secretary under this Act.

(2) The Secretary shall not make any grant to, or enter into any agreement with any program agency for the funding of any conservation center under this Act unless such agency certifies that projects carried out by the conservation center will not—

(A) result in the displacement of individuals currently employed by the program agency concerned (including partial displacement through reduction of nonovertime hours, wages, or employment benefits);

(B) result in the employment of any individual when any other person is in a layoff status from the same or substantially equivalent job within the jurisdiction of the program agency concerned; or

(C) impair existing contracts for services.

(3) Of the sums appropriated to carry out this Act for any fiscal year—

(A) not less than 35 per centum shall be made available by the Secretary for expenditure by State program agencies;

(B) not less than 25 per centum shall be made available by the Secretary for expenditure pursuant to agreements with the Secretary of Agriculture;

(C) not less than 25 per centum shall be made available by the Secretary for expenditure by program agencies within the Department of the Interior;



(D) not less than 5 per centum shall be made available by the Secretary for expenditure by the governing bodies of participating Indian tribes; and

(E) the remaining amount shall be made available by the Secretary for expenditure by other Federal program agencies and for demonstration projects or projects of special merit carried out by any program agency or by any nonprofit organization or local government which is undertaking or proposing to undertake projects consistent with the purposes of this Act.

10 per centum of the amount disbursed to State agencies under subparagraph (A) (or to local governments within the State where paragraph (4) applies) shall be divided equally among the States and 90 per centum of such amount shall be distributed among such States proportionately according to the total youth population of such States between the ages of fifteen and twenty-five (as determined on the basis of the most recent census). Any State receiving funds under subparagraph (A) for the operation of any conservation center shall be required to provide not less than 15 per centum of the cost of operation of such center. Any State receiving funds under subparagraph (A) for any fiscal year shall provide not less than 10 per centum of such funds to local governments approved by the State under section 4(g) to carry out projects under this Act unless no such local government in that State is approved before the end of such fiscal year. In any case where no such local government is approved before the end of such fiscal year, such 10 per centum may be expended by the State in accordance with this Act.

(4) If, at the commencement of any fiscal year, any State does not have a program agency designated by the Governor to manage the program in that State, then during such fiscal year each local government within such State may establish a program agency to carry out the program within the political subdivision which is under the jurisdiction of such local government. In any such case, the State share (or a reasonable portion thereof) for such State may be made available by the Secretary for expenditure by such local government program agencies to carry out the program within such political subdivisions. Such local government program agencies shall be in all respects subject to the same requirements as State program agencies. Where more than one local government within a State has established a program agency under this subsection, the Secretary shall allocate funds between such agencies in such manner as he deems equitable.

(5) Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

(6)(A) There is authorized to be appropriated to the Secretary for purposes of carrying out this Act \$50,000,000 for the fiscal year 1983, and the amount determined under subparagraph (B) for each of the fiscal years 1984 through 1989 from so much of the following amounts as would otherwise be credited to miscellaneous receipts in the Treasury—

(i) all franchise fees estimated to be collected for the fiscal year concerned by the Secretary and Secretary of Agriculture; and

(ii) all receipts estimated to be due and payable to the United States for the fiscal year concerned from (1) permit fees (including fees for special use permits) imposed by

the Secretary or the Secretary of Agriculture, (II) sales of timber by the Secretary or the Secretary of Agriculture, and (III) leasing activities of the Secretary and the Secretary of Agriculture other than leasing activities under the Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.) or under the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.).

Such sums shall remain available until expended. Appropriations under this section shall be made without fiscal year limitation.

(B) The amount authorized to be appropriated under subparagraph (A) for each of the fiscal years 1984 through 1989 shall be \$250,000,000 plus a percentage increase for each fiscal year based upon the percentage increase in the Consumer Price Index published by the Bureau of Labor Statistics. The increase for each such fiscal year shall be a percentage of \$250,000,000 (plus unappropriated balances). Such percentage for any fiscal year shall be equal to the percentage increase of—

(i) the Consumer Price Index for the last calendar year ending prior to such fiscal year, over

(ii) the Consumer Price Index for the calendar year 1982.

(7) No authority under this Act to enter into contracts or to make payments shall be effective except to the extent and in such amounts as provided in advance in appropriations Acts. Any provision of this Act which, directly or indirectly, authorizes the enactment of new budget authority shall be effective only for fiscal years beginning after September 30, 1982.

#### FEDERAL EMPLOYEE STATUS

SEC. 6. (a) IN GENERAL.—Except as otherwise specifically provided in the following paragraphs, enrollees and crew leaders shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment:

(1) For purposes of the Internal Revenue Code of 1954 and title II of the Social Security Act, enrollees and crew leaders shall be deemed employees of the United States and any service performed by any person as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, enrollees and crew leaders shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply, except—

(A) the term "performance of duty" shall not include any act of an enrollee member or crew leader while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction and supervision of the Secretary or the conservation center supervisory staff (including an activity while on pass or during travel to or from such post of duty); and

(B) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee's or crew leader's employment is terminated.

(3) For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, enrollees and crew leaders shall be deemed employee of the United States within the meaning of the term "employees of the Government" as defined in section 2671 of title 28, United States Code.

(4) For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, enrollees and crew leaders shall be deemed employees of the United States within the meaning of the term "employee" as defined in that section.

(b) AMENDMENT OF TITLE 5.—Section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (11);

(2) by striking out the period at the end of paragraph (12) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (12) the following new paragraph:

"(13) service as an enrollee or crew leader only if the enrollee or crew leader in the American Conservation Corps later becomes subject to this subchapter."

#### USE OF VOLUNTEERS

SEC. 7. (a) Where any program agency has authority to use volunteer services in carrying out functions of the agency, such agency may use volunteer services for purposes of assisting projects related to conservation centers established under this Act and may expend funds made available for those purposes to the agency, including funds made available under this Act, to provide for services or costs incidental to the utilization of such volunteers, including transportation, supplies, lodging, subsistence, recruiting, training, and supervision.

(b)(1) The Secretary may recruit, without regard to the civil service classification laws, rules or regulations, the services of individuals contributed without compensation as volunteers for aiding or in facilitating the activities administered by the Secretary through the Bureau of Land Management.

(2) In accepting such services, the Secretary—

(A) shall not permit the use of volunteers in hazardous duty or law enforcement work, or in policymaking processes or to displace any employee; and

(B) may provide for services or costs incidental to the utilization of volunteers, including transportation, supplies, lodging, subsistence, recruiting, training, and supervision.

(3) Volunteers under this subsection shall not be deemed employees of the United States except for the purposes of the tort claims provisions of title 28, United States Code, and subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries.

#### SPECIAL RESPONSIBILITIES OF THE SECRETARY

SEC. 8. (a) PAY.—The Secretary shall establish standards for—

(1) rates of pay for enrollees which shall be not less than the wage required by section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1));

(2) rates of pay for crew leaders which shall be at a wage comparable to the compensation in effect for grades GS-3 to GS-7; and

(3) reasonable hours and conditions of employment.

(b) COORDINATION.—The Secretary and the chief administrators of other program agencies carrying out programs under this Act shall coordinate the programs with related Federal, State, local, and private activities.

(c) MILITARY EXEMPTION STUDY.—The Secretary, in consultation with the Secretary of Defense, shall conduct a study to determine the feasibility and desirability of allowing enrollees who have completed a two-year enrollment in the program to be exempt

from training and service under the Military Selective Service Act (50 U.S.C. App. 456). A report containing the results of the study shall be submitted to Congress not later than one year after the enactment of this Act.

#### EDUCATION, GUIDANCE, AND PLACEMENT

SEC. 9. (a) **ACADEMIC CREDIT.**—Whenever possible, the Secretary shall make arrangements for the award of academic credit by educational institutions and agencies to enrollees for competencies developed from work experience under this Act.

(b) **STUDY.**—Program agencies may provide training and educational materials and services for enrollees and may enter into arrangements with academic institutions for academic study by enrollees during non-working hours to upgrade literacy skills, obtain equivalency diplomas or college degrees, or enhance employable skills. Whenever possible, an enrollee seeking study or training not provided at his or her conservation center shall be offered assignment to a conservation center providing such study or training.

(c) **CERTIFICATION.**—The program agencies shall provide certification of the training skills acquired by enrollees who had participated in the program.

(d) **GUIDANCE AND PLACEMENT.**—The program agency shall provide such job guidance and placement information and assistance for enrollees as may be necessary. Such assistance shall be provided in coordination with appropriate State, local, and private agencies and organizations.

#### EVALUATION AND PILOT PROJECTS

SEC. 10. (a) **RESEARCH AND EVALUATION.**—The Secretary shall provide for research and evaluation to—

(1) determine costs and benefits, tangible and otherwise, of work performed under this Act and of training and employable skills and other benefits gained by enrollees, and

(2) identify options for improving program productivity and youth benefits, including improved alternatives for: organization, subjects, sponsorship, and funding of work projects; recruitment and personnel policies; siting and functions of conservation centers; work and training regimes for youth of various origins and needs; and cooperative arrangements with programs, persons and institutions not covered under this Act.

(b) **DEMONSTRATIONS.**—The Secretary may authorize pilot or experimental projects to demonstrate or test new or alternative arrangements or subjects of work and training for programs under this Act, which may include alternatives identified under subsection (a)(2).

#### ANNUAL REPORT

SEC. 11. The Secretary shall prepare and submit to the President and to the Congress at least once each year a report detailing the activities carried out under this Act. Such report shall be submitted not later than December 31 of each year following the date of enactment of this Act. The report shall describe (1) conservation work procedures, accomplishments and benefits; (2) the extent to which youth who are economically, socially, physically or educationally disadvantaged have been enrolled in and benefited by the program; (3) other youth benefits; and (4) problems and opportunities encountered in carrying out the Act which require attention. The Secretary shall include in such report such recommendations as he considers appropriate.

#### LABOR MARKET INFORMATION

SEC. 12. The Secretary of Labor shall make available to the Secretary and to any program agency under this Act such labor market information as is appropriate for use in carrying out the purposes of this Act.

#### EMPLOYEE APPEAL RIGHTS

SEC. 13. In the case of—

(1) the displacement of a Federal employee (including any partial displacement through reduction of nonovertime hours, wages or employment benefits), or the failure to reemploy an employee in a layoff status, contrary to a certification under section 5(d)(2) (A) or (B) of this Act, or

(2) the displacement of a Federal employee by reason of the use of one or more volunteers under section 7(b)(2)(A) of this Act, such employee is entitled to appeal such action to the Merit Systems Protection Board under section 7701 of title 5, United States Code.

The **SPEAKER** pro tempore. Pursuant to the rule a second is not required on this motion.

The gentleman from Ohio (Mr. SEIBERLING) will be recognized for 20 minutes, and the gentleman from Alaska (Mr. Young) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill does not involve a tremendous sum of money by the standards that prevail these days, but it is a very important bill in my opinion.

I am very pleased and proud to bring to the floor the American Conservation Corps Act of 1982.

The concept behind this bill is not new. Indeed, it is tried and true. It had its genesis 50 years ago when Congress established the Civilian Conservation Corps in the 1930's.

As with the old CCC, the more recent youth conservation programs of the 1970's, this legislation has two basic goals: To help provide jobs for our Nation's young people and to help conserve our lands and community resources.

Indeed, H.R. 4861 builds on our lessons from the past to provide a consolidated program that will meet these needs in the 1980's.

Before describing the bill itself, I would like to note that we would not be considering it today were it not for a tremendous amount of work by many Members of this House including three House committees, and an unusual coalition of organizations that have come together to support this legislation. I might say the coalition in the House is a bipartisan coalition.

H.R. 4861 was an outgrowth of oversight hearings held last year by the Interior Committee's Subcommittee on Public Lands and National Parks which I chair and by the Government Operations Subcommittee on Environment, Energy and Natural Resources

chaired by Mr. TOBY MOFFETT. The bill which Mr. MOFFETT and I originally introduced with Mr. CONTE, Mr. ROYBAL, Mr. BEREUTER is now cosponsored by over 100 Members of this House. A companion bill, S. 2061, has been introduced in the Senate by Senators MOYNIHAN and MATHIAS.

I would like to take this occasion to thank my fellow sponsors and cosponsors and commend them for their invaluable advice and support on this legislation.

H.R. 4861 was jointly referred to the Committee on Interior and Insular Affairs chaired by our colleague, Mr. UDALL, and the Committee on Education and Labor chaired by our colleague, Mr. PERKINS.

Both committees favorably reported it to the House with amendments. I commend Mr. PERKINS and his committee for the improvements they made to the Interior Committee's version of the bill.

□ 1315

I commend the gentleman from Kentucky (Mr. PERKINS) and his committee for the improvements they made to the Interior Committee's version of the bill. Their version of our bill is in fact the vehicle we are considering today.

The bill would establish an American Conservation Corps administered by the Secretary of the Interior with the cooperation of the Secretary of Agriculture, along with the Secretary of Labor, I might add. The program would be funded by using certain Federal revenues generated from various leasing and permitting activities—off-shore oil and gas leasing, timber cutting, franchise and other fees.

The authorization for appropriations would be limited to \$50 million in fiscal year 1983 and \$250 million annually thereafter through fiscal year 1989, with percentage increases allowed each year based on increases in the Consumer Price Index. Of the total annual appropriations, 35 percent would be distributed to the States, 25 each to the Departments of Interior and Agriculture, 5 percent to participating Indian tribes, and 10 percent to other Federal agencies and for special projects. States would be required to provide 15 percent matching funds and a mechanism—including at least 10 percent of these State's funding share—for local government participation.

Conservation projects would include conservation of forests, fish and wildlife, rangelands and soils; revitalization of urban areas and preservation of historic sites; maintenance of recreational areas; energy conservation and production of renewable resources. Work on private lands would be permitted providing they are fully documented as to the public benefit and re-



imbursement for any nonpublic benefits.

The program would have both a year-round and a summer component. Enrollees must be unemployed and between the ages of 16 and 25 for the year-round program and between 15 and 21 for the summer program. Special consideration in the recruitment and selection of enrollees would be given to disadvantaged youth who live in areas of substantial unemployment. Opportunities for training and academic study would be provided and certification granted for skills acquired by enrollees.

I would also like to bring out the fact that in our committee's hearings we had very strong testimony, which the committee agreed with, that this must not be limited to only disadvantaged and only minority youth, that we want a cross section of our population, but with special consideration being given to disadvantaged and minority youth.

The bill also clarifies the Federal employee status of the enrollees and crew leaders. Volunteers may be used to supplement the program. No funding would be provided if any projects would result in the misplacement of existing employees or impair existing contracts for services.

The Secretary of the Interior would provide for research and evaluation of the program and would submit a report to the President and to the Congress on the activities of the program not later than December 31 of each year.

These are some of the highlights of the legislation. I will let my colleagues from the Committee on Education and Labor note the improvements they have made in the bill, which I heartily support.

Before concluding, however, I do want to emphasize that this bill, while relatively modest in terms of funding, offers much needed help not only to our Nation's unemployed youth but also to the productivity of our Nation's lands and resources.

Youth unemployment today is running at the level of 23 percent and minority youth unemployment at the level of almost 50 percent. One of the obligations of the Congress, through our political institutions, is to assure all of the elements of our society that they are being given the kind of consideration that recognizes that they have an important role to play, and I suggest again that this bill, while modest, does address itself to that concern and to their needs. Likewise it addresses itself to another serious national problem, the deterioration of our lands and particularly publicly owned lands and other resources increasingly affected, such as Federal, State, and local parks, wildlife refuges, forests, water resources, historic sites, and community facilities.

As I mentioned earlier, H.R. 4861 was the outgrowth of oversight hearings held by the Committee on Interior and Insular Affairs and the Committee on Government Operations in 1981 concerning two youth conservation work programs which were scheduled for termination by the administration—the Youth Conservation Corps, a summer program, and the Young Adult Conservation Corps, a year-round program. Both programs had proven to be cost effective in providing needed conservation work as well as training and jobs for unemployed youth. The YCC, we found in our hearings, returned \$1.04 in work value for every dollar expended, and the YACC returned \$1.20 in work value for every dollar expended.

Mr. Speaker, I am inserting at the end of my remarks a partial list of organizations that have strongly supported the bill. This is a broad-based coalition and represents the wide range of interests in land and resource conservation, historic preservation, community development, minority concerns, and youth employment.

I would just like to read a few of the names of the organizations so we can see what a wide range it covers:

The AFL-CIO; the American Forestry Association; the Izaak Walton League of America; the National Association of CCC Alumni; the National Association of Conservation Districts; the National Audubon Society; the National Congress of American Indians; the National Parks and Conservation Association; the National Recreation and Park Association; the National Urban League; the Sierra Club; the Wilderness Society; and the U.S. Conference of Mayors, just to name a few.

I also would like to thank in particular Mr. Sydney Howe of the Human Environment Center, Mr. Rex Resler of the American Forestry Association, and Mr. William Haskins of the National Urban League for their outstanding leadership on behalf of the legislation.

Also I would like to thank some of the staff members who have worked so hard on this: Loretta Neumann, Dora Miller, and Clay Peters from the Interior Committee; Lester Brown from the Government Operations Committee; and Clark Rechlin from the Education and Labor Committee.

Mr. Speaker, I am including with my remarks the list of the organizations that support this legislation, as follows:

AFL-CIO.  
American Forestry Association.  
Center for Community Change.  
Children's Foundation.  
Environmental Action.  
Environmental Defense Fund.  
Environmental Policy Center.  
Friends of the Earth.  
Human Environment Center.  
Izaak Walton League of America.

Mexican American Legal Defense & Education Fund.

National Association of CCC Alumni.

National Association of Conservation Districts.

National Association of State Conservation Corps Program Agents.

National Audubon Society.

National Congress of American Indians.

National Council of La Raza.

National Parks & Conservation Association.

National Recreation & Park Association.

National Trust for Historic Preservation.

National Urban Coalition.

National Urban League.

National Youth Work Alliance.

Native American Rights Fund.

Natural Resources Defense Council.

Northeast Utilities.

Preservation Action.

Sierra Club.

The Wilderness Society.

Trust for Public Land.

U.S. Conference of Mayors.

Urban Environment Conference.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 6 minutes to the gentleman from Illinois (Mr. ERLBORN).

Mr. ERLBORN. Mr. Speaker, I rise in opposition to the bill before us, H.R. 4861, the American Conservation Corps Act. This opposition does not stem from disagreement with the basic intention of the bill. Rather it stems from the fact that during a period when the Congress must weigh carefully its funding priorities, we do not need to be considering a bill that seeks to reauthorize two programs that are soon to be terminated. H.R. 4861 is an attempt to start up a new program that is a warmed over version of the Youth Conservation Corps (YCC) and the Young Adult Conservation Corps (YACC) programs.

These programs suffered from several problems in both design and implementation. First, there were the problems of overlapping and conflicting bureaucratic responsibility and authority. Second, these were expensive programs given the number of persons served; few enrollees were placed in jobs compared with other youth employment and training programs; and these programs were not designed to meet the needs of the most disadvantaged population. Although some of these concerns may be addressed in H.R. 4861, I do not believe that they have been resolved satisfactorily.

The two major Federal Departments that would have authority over these programs testified against this bill before the House Subcommittee on Public Lands and National Parks on December 8, 1981. This opposition was based on the following reasons: The termination of similar programs, that is, YACC and YCC; the conservation work accomplished would be low priority; the program is not targeted to the most disadvantaged, and if it were, it would then duplicate other programs that serve disadvantaged youth; the funding for this program is from ear-

marked receipts which removes the program from normal competition for Federal dollars, giving it a priority not necessarily consistent with overall spending priorities and requiring a downward adjustment in spending somewhere else in the budget, perhaps from other higher priority programs; and the location of Federal land increases the likelihood that the enrollees in this program will be drawn disproportionately from States which comprise a small percentage of the U.S. population and that have low overall unemployment rates.

YCC and YACC are being eliminated because they could not compete adequately on the basis of their own merits for scarce Federal resources. Should the Congress perpetuate such programs? The budget restraint necessary for economic recovery commands close examination of priorities and requires different decisions.

Additionally, if the past record concerning cost and targeting of similar programs is examined and compared with other youth employment and training programs, even further doubt is raised regarding the reasons to support H.R. 4861. For example, the cumulative value of work done since 1971 through 1980 under the Youth Conservation Corps is \$283 million, over \$15 million less than was appropriated for the program through 1980. There was not even a dollar for dollar return in cost for this program over a 10-year period.

Also consider that for the years 1971 through 1981, the Youth Conservation Corps spent \$32 million to serve approximately 210,000 youth. For the years 1977 through 1981, the Young Adult Conservation Corps spent \$888.5 million to serve approximately 260,400 youth. For fiscal year 1981, under the YACC it was estimated that the cost per participant was \$11,000. In the regular youth training programs under CETA, title IV-A, the average cost per participant for the same fiscal year was \$1,567; for summer youth programs it was \$843; and for Job Corps, using the cost per service year of \$14,185, the average cost per participant was around \$7,100.

The YCC and YACC programs were labor intensive. Little emphasis was given to providing related education and few statistics were maintained regarding placement of the participants after termination from the programs. Each of the other youth employment and training requires a related education or training component so that the social gains for participant are not just the short-term employment provided but the long-term benefits of additional education and employability skills. The positive termination rate (that is, return to school, enter military or enter employment) for fiscal year 1981 under the title IV-A youth programs was 78.9 percent; under the summer

youth program, 91.5 percent; and under Job Corps, 89 percent. Each rate being higher than that for YCC or YACC.

Although H.R. 4861 gives preference to serving disadvantaged youth from areas of high unemployment, no targeting is required. In 1980, 54 percent of the enrollees under the YCC program were from families with annual income of \$15,000 or less. Under the other youth training programs I have mentioned previously, all the participants are economically disadvantaged as required by law. Again, even so, their cost per participant and positive termination rates are better.

The House will have an opportunity to address the serious issue of youth unemployment problems when it considers H.R. 5320, the Job Training Partnership Act. That bill provides a coordinated training and involves significant private sector participation. We are not ignoring the youth unemployment problem by opposing H.R. 4861. Instead we are calling a halt to duplicative programs, reducing the burden of the Federal deficit, and giving consideration to program funding so that those programs which successfully meet the training needs of our disadvantaged youth are not drained of needed resources.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 7 minutes to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, I rise with great pleasure in support of H.R. 4861, the American Conservation Corps Act of 1982, a bill on which I am an original cosponsor.

Today the legislation has a bipartisan group of 101 cosponsors.

Almost 50 years ago the Congress sought to cope with the ravages of the depression era unemployment by enacting the Emergency Conservation Act of 1933 which established the Civilian Conservation Corps. A bold stroke in a time of despair, the CCC furnished employment and valued self-esteem for some 3 million unmarried males during the 9½ years of its existence. At the same time the Nation reaped invaluable natural benefits.

In its heyday, the CCC camps located throughout the 48 States and several territories numbered upward of 1,740, with almost 360,000 enrollees at work to protect and enhance the soil, trees, and streams of our Nation.

More than 4,000 fire observation towers were constructed as a result of the CCC program. Furthermore, Conservation Corps participants planted more than 3 billion trees and laid 85,000 miles of telephone lines. They constructed over 150,000 miles of trails and roads and built approximately 45,000 bridges and buildings.

Today, by casting a vote in favor of H.R. 4861, the Members of this body can also make a wise investment in the

youth and the natural resources of our country, in admittedly a different way, but just as our predecessors in 1933 did when they approved the formation of the CCC.

The need today is great, as it was in 1933. Most recent statistics released by the Department of Labor on unemployment are shocking. Tragically, the burden of joblessness falls most heavily on the youth. Although up to 9½ percent of the total labor force presently may have no job, 23.1 percent of the teens are without work. Each Member of this body should be horrified to learn that 49.8 percent of the black youth of this Nation are unemployed. Many, if not most, have lost hope for employment.

□ 1330

For a modest appropriation, we can begin to provide gainful employment, work experience, and some measure of self-esteem again to thousands of disadvantaged youth. At the same time, vital restoration and conservation work on the public lands can move forward. Roads and trail maintenance work, reclamation of strip mined lands, recreational area development, these are just some of the projects which have tapped the energy and talent of these young Americans.

I would advise my colleagues that over the last 3 to 4 years I have visited with a variety of employees and managers of the U.S. Forest Service and the National Park Service about their experience with the Youth Conservation Corps and the Young Adult Conservation Corps. Some of them admitted they had reservations about these two programs at their inception.

Consistently, however, these people told me that any doubts they had were proven to be unfounded, for the results have been very beneficial for those forest areas and for those national park units.

More importantly, they were impressed by the benefits accruing to the individual young people involved. The youth and the young adults involved made very important contributions to our parks and forests and they experienced great personal growth and an enlightened attitude as a result of these working and learning experiences.

I would say, unequivocally, that it is a mistake to phaseout the YACC and the YCC today. Partly I think the problems which have been pointed out—and some of them may be valid—spring from a problem in this Congress itself. The jurisdiction on oversight for these programs has been split between committees in the House, and perhaps in the other body as well. I think with an earlier and a more concerted variety of oversight activity on the part of this Congress, some of those problem areas would have been



corrected without damage to these vital youth employment-education programs. To suggest that these kinds of activities have low priorities, as far as the work accomplished, is just absolutely inconsistent with the facts. If it had not been for the work of these young adults and the youth involved in these conservation programs, our parks and many of our national forests would be in desperate condition. If we terminate these projects, the National Park Service employees can tell you that people involved with resource management, law enforcement, and a wide variety of service activities will not be pursuing those ends responsibly as they should; they will be doing the kind of labor intensive work that these youth and young adults have accomplished. Trails will not be maintained, repairs will not be made, and so forth.

I think in suggesting that these youth employment programs are inappropriate and fail to meet employment training objectives is to suggest only that the criteria on which they are judged are inappropriate. These programs are both educational in nature and they are aimed at accomplishing necessary work. You cannot suggest that they have not met their goals in providing adequate product for the work expended and ignore the fact that they also produce great educational training benefits—exactly what they are aimed at accomplishing. The arguments advanced against this bill and the YACC and YCC are specious and illogical.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I am pleased to yield to the distinguished gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I would like to commend the gentleman for the leadership that he has shown in this legislation.

I would also like to just add one comment. Congressman RALPH REGULA and I had a hearing in Akron, Ohio, on this legislation last year, and one of the most moving parts of it was the testimony of the young people as to how much it had meant to them to work in the YCC and the YACC. And even more moving was the testimony of former CCC workers, one of whom was a man of my age, who said that he was headed for the penitentiary if he did not happen to change his course. And what happened was the CCC, and it changed his whole life.

I suggested that that is the kind of thing that can do similar work for young people today, and I commend the gentleman again for his statement.

Mr. BEREUTER. I thank the gentleman for his comments. They were certainly right on target. I had the same experience in visiting with members of the CCC. In walking through portions of any of our major national parks, like Rocky Mountain National Park in

Colorado, it is very obvious that many of the activities and projects of those CCC people are still in place and they are being used and enjoyed by the American people.

As Congressmen, we are stewards of our Nation's children and our land. In our desire to pinch pennies, we must not choke off our Nation's future by demoralizing our young people by locking them out of any chance of financial independence and gainful employment. Nor must we choke off our future by allowing our precious natural resources to erode or to deteriorate through misuse, abuse, or neglect.

The need is great. A partial solution is at hand. Please join the 101 cosponsors of this legislation in supporting it.

Mr. SEIBERLING. Mr. Speaker, I yield 5 minutes to our distinguished colleague, the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Speaker, I do not know what program the gentleman from Illinois was talking about when he rose to oppose this bill. But as one whose subcommittee held hearings on the Youth Conservation Corps and the Young Adult Conservation Corps, I would point out that we found it to be an enormously successful program. If the B-1 bomber had to undergo the scrutiny that this program has undergone, it would have been left a long time ago. If the Clinch River Breeder Reactor ever had to get under the magnifying glass the way this program has, it certainly would not be funded this year.

I think it is important to point out the real-life implications of this program. One hundred thousand young people, or roughly that many, will be employed, just as they were in the programs that Secretary Watt and President Reagan decided to ditch last year.

When I held a hearing in Central Park, outdoors, to talk about the impact of this proposal and about the impact of Secretary Watt's desire to get rid of the two very successful youth employment programs, we had panel after panel of young persons, mostly black and Hispanic, with their hard hats on, testify about what it meant to them. Our hearing record is evidence of that. There are very moving stories about these young people, certainly from disadvantaged backgrounds. Over 50 percent of the young people in the program nationally come from families of under \$15,000 a year, and over one-third came from families of under \$10,000 a year.

When they testified, they said, "Well, Mr. Chairman, I was out on the streets," or "I was unemployed and I heard about this job," and all of these young people from the neighborhood lined up to try to get 10 jobs, 15 jobs. There were hundreds of them that lined up. It was moving testimony. It was inspiring. It was dramatic, emotional testimony.

Then Secretary Watt's deputy came to the witness table, and I said, "Mr. Hites, you have listened for hours to these young people tell their story. You have heard them tell about their experiences. Now what is going to happen to these young people when they are fired by Secretary Watt and President Reagan October 1?"

He said, "Well, Mr. Chairman, under the Reagan program of economic recovery, these young people will be picked right up by the private sector."

I asked him if he would like to turn around and face the young people who were still there in the audience and tell them that the private sector would pick them up.

We know the private sector, even in the best of economic times, is not going to pick up the most disadvantaged youngsters. It has not in the past; it will not in the future, unless there are some dramatic changes made. In the meantime, what we are doing on a bipartisan basis here is to say, "Let us at least provide a token step in the right direction. Let us at least say that this body recognizes that there is a problem out there to the tune of over 20 percent youth unemployment, probably much higher, and probably 50 percent minority unemployment."

For those Members who would think of voting against this measure, I wonder what their alternative is. Do they want to look into the eyes of those young people and say, "Well, under the Reagan program, or under any program, the private sector will pick you up."

We have a broad and vast coalition in support of this bill. We are proud to have bipartisan support.

I would say that the gentleman from Nebraska made an excellent statement that there have been rather intense scrutinies of this program by I think two or three subcommittees. We think it works. It is not going to have any negative budget impact. And even if we did fund it out of the budget, which we are not planning on doing, every indication shows that it brings back more money than you pay out in terms of the work in these parks.

In the gentleman from Illinois' own State, \$17 million in appraised value of conservation work was accomplished under these programs that he criticized, including the planting of 482,000 trees, construction of 350 miles of trails, 270 recreational structures, 85,000 hours of flood control work, in a State prone to flooding problems. Of the 3,300 enrollees employed in Illinois, 54 percent were high school dropouts.

This approach works. We urge your support for it. I hope that this body will support this with an overwhelming vote to let there be no mistake that we are not unaware that there is

a terrible waste of both human and natural resources going out, and we want to do just a little something, at least, to address that problem.

I would like to thank the gentleman from Ohio (Mr. SEIBERLING) for his leadership, and the Members on the other side of the aisle who are joining with us.

Mr. SEIBERLING. Mr. Speaker, I yield 3 minutes to the gentleman from Montana (Mr. WILLIAMS).

Mr. WILLIAMS of Montana. I thank my chairman for yielding, and I commend him on this legislation. We are about to have one-fourth of the American youth in this country out of work, and this bill is just on time. Additionally, it continues the great tradition of conservation in America. We must maintain our great national parks and recreational areas. We must do more to farm our forests, preserve our soils and protect our waters. This bill not only provides jobs to American youth, but it does it in a way that they may assist in the continuation of the grand and vital effort of conservation of our natural resources.

This legislation has been reported by both the Education and Labor Committee and the Interior Committee. I am a member of both, and both committees have done a good job of rounding out the bill. In Education and Labor, however, we did begin to deal with how best to avoid displacing existing workers, but our concerns were not fully resolved. To start, the bill protects all workers from being displaced by the enrollees in this program. This is the "maintenance of effort" concept that is almost standard in job and job training legislation. However, it is important to have procedures set out for settling disputes on violations. We did this for Federal employees in the Education Committee, but we must also develop some refined language to provide a procedure to protect workers in the private sector, who have jobs under contracts with the Government.

Mr. SEIBERLING. Yes; we will want to be certain that such protection is provided.

Mr. WILLIAMS of Montana. Of course, if displacement is prohibited by the bill, as it is, it follows that a procedure will be developed for resolving complaints arising out of a violation. We have found through firsthand experience, however, that it helps to define that procedure. We had a problem in Montana with the YACC program, which is administered by the Departments of the Interior, Agriculture, and Labor. The agencies insisted that maintenance of effort violations for YACC were to be settled by the Interior Department even though that agency has limited mechanisms and experience in settling labor disputes. I believe the law intended for such disputes to be handled

by the Labor Department, but this intent was not specifically spelled out, and that is how our problem arose.

Mr. SEIBERLING. We have a good opportunity, then, in this bill, to make sure we do not repeat that mistake.

Mr. WILLIAMS of Montana. Precisely. I hope we will be able to be absolutely specific about our procedures, because with YACC the Department of the Interior wrote the procedures as the complaint developed, and the complainants felt strongly that they were getting the runaround.

Mr. SEIBERLING. I can see why. I have spoken to Senator MOYNIHAN, the Senate sponsor of the bill, about your concerns, and he has agreed to handle them in his bill. I know that you have some very specific items you want covered, so I have asked Senator MOYNIHAN to write to you with his assurances that your specific recommendations will be included.

Mr. WILLIAMS of Montana. I thank the gentleman.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 3 minutes to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Speaker, I rise in support of H.R. 4861.

The American Conservation Corps Act of 1982, creates a program to carry out conservation and rehabilitation projects with an emphasis on hiring disadvantaged youth. Projects can be implemented in both urban and rural areas. It is expected that Federal revenues generated from various leasing and permitting activities would be used to fund the program. Additionally, a sustained portion of the program funding goes to States for State-based programs.

This bill combines concepts from the Young Adult Conservation Corps and the Youth Conservation Corps, both scheduled to be terminated in fiscal year 1982. I recognize that there were concerns regarding both programs, but I believe that this bill remedies many of those problems.

There is a considerable backlog of needed conservation work in this country. With reductions in agency budgets and personnel directly responsible for conservation efforts, the approach offered in this bill needs to be supported. Other programs that might provide similar types of services, such as the Job Corps and title V of the Older Americans Act, have also experienced reduced budgets. We need some means by which the deteriorated condition of our public lands and communities can be maintained and improved.

The situation I have expressed most concern about though, is our Nation's youth unemployment problem. Unemployment among youth, especially minorities, continues to grow dramatically. Even though previous youth conservation work programs suffered from lack of coordination, lack of direction and did not clearly focus on

conservation, they returned more than \$1 in assessed value for each dollar invested. This bill attempts to better target the program to disadvantaged youth and to those who live in areas of high unemployment. It provides youth with meaningful work, teaches transferable skills and benefits more than just the youth involved. Not only can we conserve and improve the Nation's national and cultural resources, but we will make a major investment in the future of our youth.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise in support of this legislation which was introduced late last year by the gentleman from Ohio (Mr. SEIBERLING). As an original cosponsor of this measure, I have great faith in the results we can reap through a conservation, rehabilitation, and maintenance program to improve our Nation's resources using the abilities of our young people.

I have long been a supporter of this type of program, having fought to retain funds for the Young Adult Conservation Corps last year following a rescission proposal by the administration. This bill, I think, makes definite concept improvements for this type of program in that it merges the ideals embodied in the Youth Conservation Corps and the Young Adult Conservation Corps.

At a time when our youth unemployment rates are excessively high, particularly among disadvantaged youth, and a time when we are trying to accomplish such goals as more sophisticated soil conservation methods and better long-term forest yields, we need this program. We face increased demand on our public lands, both for recreation purposes and resource production. These resources will deteriorate in the absence of a continued rehabilitation and maintenance program.

We do not need to talk much on youth unemployment except to say that it is far too high. Time and again we have raised that issue in debates here on the House floor, most recently in the budget resolution debate. A program such as the one put forth in this bill will go a long way in helping to relieve the high unemployment rate among young people, and at the same time, give them a stake in preserving valuable resources for their futures.

On the subject of unemployment, I would just like to say that we are all aware of the problems of the structurally unemployed. This bill could very well have a positive side benefit in that it might steer some of the participants into a career interest area they never before considered, and give them the skills necessary to pursue such a career.



I urge the House to pass this bill, and give our youth the chance to preserve an important part of their Nation—natural resources—through a worthwhile program.

I remember very vividly the old CCC camps, Mr. Speaker. I remember, as a young boy, when we went through the depression and my father lost his job at the General Electric Co., there were no government handouts, as there are now. I used to go up in the mountains to pick blueberries and blackberries and sell them house to house. We used to get about 10 cents a quart for the blueberries we picked. And one day as I was picking berries I saw the CCC camps in action. One of the CCC members I met at their camp befriended me. When he learned that I was of Italian extraction he said,

You know, if you can get a quart of wine that your father makes, I'll give you a baseball glove.

I delivered the homemade wine and wound up with my first baseball glove.

The lasting good that the CCC camps have made in this country are truly immeasurable—the biking trails, the foot trails, the picnic areas, the clearing out of the dead timber in the forests. I go there today, I bring my grandchildren, and these monuments still remain. It is a dollar well spent. I have been one of the greatest supporters on the Appropriations Committee. I tried to save the Young Adult Conservation Corps. Unfortunately, it went out the window.

I appreciate everything my good friend from Illinois said. The Young Adult Conservation Corps was expensive. But I do not believe we have to go in such an expensive program. I talked with Lec Agrassini of the Labor Department, I said,

Look at the old CCC camps, and let us do something patterned on those. Bring in old quonset huts that are surplus, from the Army, the Navy and the Air Force, bring those quonset huts out in the forests.

You could set up trade shops, these young folks can learn a trade during their stay in the forest. Can you imagine the change of environment from the crowded, crime-infested city streets, to our pristine forest, let me read a poem I found.

A buck a day is all we're paid,  
And yet this morning in a glade  
I saw a deer—a pretty thing.  
Before I started working here  
I never saw a deer.  
Oh, I may have seen a few  
Hoping and moping in a zoo.  
Another thing I never knew  
Is what the smell of pines can do  
To make you find  
The real resources of your mind.  
You know, it may seem odd,  
But I think we're getting extra pay from  
God.

(Said to be written by a boy in the C.C. Corps to his mother.)

□ 1345

Mr. SEIBERLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. AuCOIN).

Mr. AuCOIN. Mr. Speaker, I rise in strong support of H.R. 4861, the American Conservation Corps Act.

In 1974, when I first ran for a seat in the House, I campaigned vigorously in favor of a CCC-type program. The Young Adult Conservation Corps and the Youth Conservation Corps were enacted during my second term. The bill before us today, like the YCC and the YACC, enjoys strong bipartisan support.

Mr. Speaker, we need to pass this bill. This program will enhance our natural resources by supplying the young men and women needed to accomplish critical work on our public lands. From Forest Service campgrounds to fish and wildlife refuges, there is much to be done—and this type of program is the most efficient way to do it. Studies of the YACC and the YCC consistently show that the Federal Government gets more in work accomplished than it costs.

The other obvious benefit from this bill is that it addresses the problem of youth unemployment. The rate of unemployment among our young people, particularly those who are disadvantaged, is at an all-time high. Before it climbs higher, we should send a signal of hope by passing this bill.

Mr. Speaker, I urge Members to vote for this bill—it is good for our public lands and our young people.

Mr. SEIBERLING. Mr. Speaker, I yield the balance of my time, 2 minutes, to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I rise in strong support of this bill. I think it properly focuses on the important issues of youth unemployment and protection of our natural resource base.

One other important aspect of this legislation I think, is that it provides this House with the opportunity to look at where we are today in terms of dealing with these issues.

First of all, H.R. 4861 ties together the diverse problems that exist in maintaining and rehabilitating our public lands and public resources. Second, I think very importantly, H.R. 4861 develops an understanding and expresses a concern for those unemployed young people in our country showing them that they have a stake in this country and they have an opportunity and a means by which to direct their efforts and skills so that they develop a value and an understanding of our resources and in doing so feel that they are a worthwhile part of what makes this country as great as it is.

I think that these issues, of course, with regards to our young people and

the need to conserve and rehabilitate our natural resources are important in any case during good times and bad times, but I think this legislation gives us a unique opportunity today to suggest that maybe everything is not correct in the way the economy is functioning. With a quarter of our young people unemployed, with almost 15 million people either unemployed or underemployed, who are so discouraged that they do not seek work today, the question raised, is whether this Congress as a national body is ready to recognize the problem, and second, do something about it?

I think that is the question that is being asked across this country today and it is not what went wrong with the economic programs, was it a mistake or not, we all know that it is, it is an economic dud; the question is, whether this Congress is going to do something about it? In a modest way this program is a step that says we are going to do something about it, Congress indeed does care about the significant youth unemployment. We think we better get back into a commonsense program with regard to addressing the serious youth unemployment tragedy.

Serving on the Interior and Insular Affairs Committee has shown me the definite need that exists to preserve and protect our public natural resource base. This legislation allows us to carry out this important responsibility in a manner that is cost-effective. Equally important, H.R. 4861 is designed to promote the development of our greatest natural resource—our young people. The unemployment rate that exists among our youth, especially minority and economically disadvantaged youth, is a national shame. At a time when we should be promoting the development of our young people to become productive members of our society, the stark figures of youth unemployment attest to our inability to make use of the minds, energy, and ambition our young people possess.

For many months, I and other members of the Interior Committee have received testimony and heard witnesses explain the problems facing our natural resources due to the backlog and deferral of necessary conservation work. With the growing use and demands being made upon our public lands and national parks, the necessity of a coordinated conservation program is of critical importance. Resource managers at the Federal and State level within my home State of Minnesota, have voiced their concerns about the pressing demands being made upon them in trying to cope with the conservation and rehabilitation needs that exist. The continued deferral of conservation work is a policy that is penny-wise and pound-foolish and

threatens to destroy the resource which we seek to protect.

Previous youth conservation programs proved to be efficient and cost-effective in helping meet our conservation and rehabilitation deficiencies. H.R. 4861 builds upon the proven track records of these programs in developing a program that addresses known resource and social needs. In this time of fiscal restraint, this legislation offers the opportunity to deliver services of a greater value than the cost of the program, while meeting the problem of youth unemployment head on. The benefits and opportunities for individual growth for our youth, afforded by H.R. 4861, is a value on which we cannot place a cost.

I hope that this body will give an overwhelming vote of confidence to this bill and in doing so provide us with an opportunity to offer hope to the American people, especially our young people.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

There is no doubt, Mr. Speaker, this bill is well-intended. It addresses a very real need. Youth unemployment is a serious problem that needs national attention; but as usual, Congress has decided to address a problem by throwing money at another new program. In this case, the amount being thrown is at least \$1½ billion, just based upon the amounts that are in the bill itself; that is \$1½ billion of money that we do not have and as a result of this bill we will not get to aid us with our budget deficit problems. No matter how well-intentioned, the question is can we afford this program at this time. The answer is that we cannot.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to the gentleman from Idaho (Mr. CRAIG).

Mr. CRAIG. Mr. Speaker, there are oftentimes pieces of legislation that you cannot enthusiastically stand up and speak out against. This is certainly one of them, but I do stand in opposition to this legislation today. I do not question the need and/or the desire of the author of the legislation. I am quite clear after having gone through the testimony and the hearings, the markup on this legislation, that his intent and desire is absolutely sincere and concerned.

The question comes on funding. The question comes, where does the money come from and what current services and/or programs being provided by that money do we deprive by rechanneling it and dedicating it into the legislation proposed here?

As a Congressman from a Western State, a public lands State, where the private property owners of that State are oftentimes those who must from

their very limited tax base provide the services to the public lands of our Nation so that the general populace can enjoy it through roads and snow removal and fire protection and a variety of other services that are not totally funded or even in part funded, we have to consider the question, should we use our money for those purposes or should we reverse it and dedicate it for legislation as being proposed here.

H.R. 4861 represents a consolidation of two previously authorized programs, the Youth Conservation Corps (YCC) and the Young Adult Conservation Corps (YACC). Both programs terminate, due to funding elimination at the end of fiscal year 1982. The funding for these programs was eliminated for several reasons: Higher cost per participant when compared to other training programs; the work performed was of low priority; the participants served were not typically the most needy; there was no targeting within the programs; and there was a poor record of participant placement.

Another reason that I do not support passage of H.R. 4861 is the funding question. This would target money that is generated from Federal lands and use it to fund the American Conservation Union. What is disturbing here is, that many of these funds are currently used to reimburse States, counties, and cities for large tracts of Federal landholdings. While the local governments do not receive direct Federal revenues through taxation, the Federal government has set up accounts that seek to reimburse the local governments for money spent to provide the Federal properties with Government services, sewer, water, electricity, roads, snow removal, and so forth.

What H.R. 4861 would do is take Federal funds out of these accounts and target them for the American Conservation Union and at the same time, this bill would require a matching fund stipulation if a State wants to participate in the program. Where do the Western States find the revenue to participate?

At a time when we are working to lower the projected deficits facing this country so we can bring down interest rates and put America back to work, H.R. 4861 proposes to spend approximately \$1.55 billion over the next 6 years. We cannot accept or afford as a nation, to ask the American taxpayer to pay for programs that will, as experience has proven, grow into a fiscal nightmare.

The idea is not new and it does have merit. But, we cannot implement programs that will drain our Western States of revenue that they sorely need now and in future years.

Until we can wrestle down the deficits that are causing havoc in our financial markets, then programs like

the one proposed in H.R. 4861 should not be adopted.

Thank you.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I rise in support of the bill now under consideration (H.R. 4861), which would establish an American Conservation Corps.

This bill is modeled after the successes of a number of similar popular predecessor programs, ranging from the famous Civilian Conservation Corps (CCC) of Depression days, up through the very current Youth Conservation Corps (YCC) and Young Adult Conservation Corps (YACC) of current times. This bill is designed to take the best features and experiences of all of these, and to incorporate them into a new program to continue on where the latter two programs are leaving off, as they are currently being phased out at the end of fiscal year 1982.

Mr. Speaker, our public lands and resources have for decades suffered from insufficient maintenance attention due to limited funding and staffing. In addition, our national economy is currently in such condition that great numbers of people are out of work—apparently at a level unequalled since the end of the Great Depression. Reports from the Bureau of Labor Statistics indicate that in May 1982, total unemployment reached 9.5 percent; youth unemployment reached 23.1 percent; and minority youth unemployment reached 45.5 percent. Mr. Speaker, this is obviously an extremely serious matter.

This bill would combine the problem of inadequate public resources maintenance with that of major unemployment to the mutual satisfaction of each other. The maintenance needs would be addressed by the unemployed, and both needs would mutually benefit.

Moreover, past history indicates that this can be accomplished in a very cost-effective manner. The enactment and implementation of this bill will not solve the unemployment problems of all of our young people, nor will it solve all of our public resource maintenance needs, but it will help. It is at least a constructive step forward in a current environment where not much else that is tangible and proven to be workable by a good track record is around to grab hold of.

I am also inspired, Mr. Speaker, by the less tangible emotional, educational, and psychological effects that such employment can bring to our young people. This is an age of indelible impressions. It is an age where young people are being majorly shaped and influenced in attitudes and thought. The record is strong and clear, from participants in the CCC program of the 1930's to the YCC and YACC pro-



grams of today, that the life goals, career pursuits, and shorter range ambitions and attitudes of many youth are greatly influenced by the healthful, resource-related working relationships engendered by this type of program.

In both the long and the short run, a program such as this is good for America. It is an investment in both her resources and her people. What could constitute a more worthwhile objective, particularly at a time like this.

Mr. Speaker, there are several observations I would like to share with my colleagues pertaining to specific features of the bill.

I cannot overstate the importance of section 4(e) that all projects selected are consistent with provisions of law. This may seem obvious, but more specifically and practically as a progression of this provision, all projects and their conduct should be in full accord with the various existing policies, management plans, and other such documents which guide the protection, management, and use of the resources to be subjected to the conservation projects.

Section 5(a)(4) provides that "special consideration" is to be given the recruitment and selection of enrollees who are disadvantaged and residing in areas of substantial unemployment. Similarly, section 4(f)(3) provides that similar "due consideration" be given the location of conservation centers based on proximity to disadvantaged youth and those living in areas of high unemployment. While this is certainly an important and most meritorious feature of this bill, I want to also point out, as it was a subject of some discussion and quite unanimous agreement in the Interior Committee, that this consideration is not to be to the exclusion of youth or locations not so heavily afflicted with disadvantaged or heavy unemployment attributes. The program should have a healthy mix of youth from many backgrounds, and certainly with special consideration of and appropriate emphasis on the elements of disadvantage and high unemployment locales.

Mr. Speaker, while the bill—section 4(d)—allocates the funding to major recipients generally by percentages, I believe it is most important that as those major recipients suballocate the funds to subrecipients through time, that there be some degree of stability involved and advance planning of expenditure, to the maximum extent possible. I do recognize the need for flexibility and adaptability to changing situations, of course, but I do believe there needs to be some long range projection of priorities so all potential beneficiaries will have a fair idea of what changes to expect through time. For example, the Department of the Interior will have,

under the bill's provisions, 25 percent of the funds for allocation to various agencies within that Department. I believe there should be developed ahead of time, at least 3-year advance projections and prioritizations of which agencies will receive how much for which projects or geographic project areas. This will provide better stability for the program, particularly for staffing and program supervision purposes. Last minute major changes and funding diversions are disruptive to program efficiency, staffing, and good morale of personnel.

Finally, Mr. Speaker, section 8(c) provides for a study as to the feasibility and desirability of 2 years of service in the program qualifying an enrollee for exemption for military training and service. I want to point out that such a study should be undertaken on the premise that if such substitution might be deemed to be feasible and desirable, it would have to be on the assumption that the American Conservation Corps program would have to be adjusted in some manner to make its enrollment criteria equally open to all applicants, with no criteria of discrimination whatever in selection of enrollees. Without so doing, a discriminatory process would indirectly develop as a criteria for substituting conservation service for military service, on the basis of disadvantage and unemployment attributes, which would be indefensible. Ideally, this study should be prosecuted in looking at the broader question of the merits and workability of the substitutability of such public conservation service for military service, and then developing suitable criteria to make it work. Using the criteria of enrollee selection embraced by this bill, as a premise of such study, would clearly not constitute an acceptable study approach.

Mr. Speaker, I urge my colleagues to support this bill, which has been endorsed by two committees of the House—Interior and Education and Labor—and to vote for its adoption.

● Mr. BIAGGI. Mr. Speaker, I rise in support of H.R. 4861, to establish an American Conservation Corps. I consider this kind of legislation to be especially vital if we are to make inroads into correcting one of this Nation's most serious and chronic economic problems: unemployment among youth.

Specifically, this legislation calls for the establishment of an American Conservation Corps with a modest \$50 million authorization in fiscal year 1983 for the purpose of putting young men and women to work on both a full- and part-time basis. I am especially supportive of the summer job, part-time program being targeted to youth in areas of high unemployment.

One of the criticisms registered in the past about public service employment programs was that they were in-

flationary by nature by virtue of being nonproductive or, as the phrase was coined, "make work" jobs. H.R. 4861 not only provides employment opportunities for youth, it provides meaningful employment opportunities—meaningful to the employee and to our Nation. Included among eligible projects would be those for the conservation of forests, fish, wildlife, revitalization of urban areas, and preservation of historic and cultural sites. I especially applaud the inclusion of projects aimed at energy conservation and production of renewable resources.

It is critical that we develop these types of programs as a positive response to the negative problem of youth unemployment. This legislation provides for a rather novel financing approach. Funds for these jobs would come from Federal revenues generated through such activities as oil and gas leasing and timber sales. This means the cost to the Federal Treasury is greatly limited.

As my colleagues are acutely aware, unemployment is at a post-World War II record level of 9.5 percent. We can approach it in two ways: We can point the finger at who is wrong and who is right, or we can attack the problem. The first approach will not put one single person to work. The second will.

Let me conclude by noting the parallel between the establishment of this American Conservation Corps and the old Civilian Conservation Corps of the Roosevelt era. The economic times were desperate then as they are getting now. Psychologically, the swift passage of legislation by Congress to create the various New Deal programs, including programs to put people back to work, proved to be a catalyst for economic recovery. I hope that history will record the passage of this legislation as a starting point in our recovery efforts to remove ourselves from the throes of this current recession. Youth unemployment is an especially difficult problem which we must recognize as such and work to rectify. ●

● Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 4861, the American Conservation Corps Act of 1982, which is in my opinion a very timely attempt to address both the needs for maintenance and revitalization of our Nation's resources and the high incidences of unemployment among disadvantaged youth. This bill was approved by both the Education and Labor Committee and the Committee on Interior and Insular Affairs, where I am pleased to be able to state that it enjoyed broad support. This proposal is a vitally needed effort in view of rising youth unemployment rates and lowered availability of funds for maintenance of public properties. Its cost-effective approach would speak to both problems in a comprehensive

manner and with a minimal expenditure of Government resources.

Last year you will remember, the administration was successful in defunding the Youth Conservation Corps as authorized under CETA. I must say that I received substantial amounts of mail urging continuance of the program. This mail came from the participants themselves, whose concern lay not in their own potential loss of employment but in their belief that the work they were doing truly benefited the Nation and their knowledge that no one else would fill the gap this program's demise would create.

In Puerto Rico, the conservation corps has been duplicated on the State level, teaching many of our underprivileged youngsters to take pride in their land and to value their abilities to make contributions to the labor force. Passage of this bill will foster other such programs, and will reinforce existing State efforts in this area. The \$50 million appropriation level in this bill would allow an extension of services to the community well beyond its monetary value.

Mr. Speaker, I believe this program to be a truly effective method of dealing with the dual problems of youth unemployment and conservation of publicly owned lands, and I fully support its passage. I urge my colleagues to join with me in approving H.R. 4861.

● Mr. DE LUGO. Mr. Speaker, H.R. 4861 presents all of us who are so concerned about the alarming level of unemployment among our Nation's young people a chance to provide them a job and do something good for our natural resources at the same time. This bill was developed by the Subcommittee on Public Lands and National Parks, of which I am a member, to specifically address these two concerns and does so quite successfully.

In hearings before our subcommittee, we have been reminded time and again of the serious deterioration of lands, resources, and facilities in our Nation's system of parks and refuges. Literally hundreds of millions of acres are considered substandard and this figure is growing every day. At the same time, youth employment opportunities are what I would call substandard, and without a bold program like this one, the situation will only worsen.

The proposal to establish an American Conservation Corps builds upon our country's previous experience with the Civilian Conservation Corps during the Depression and more recently on the Youth Conservation Corps and the Young Adult Conservation Corps. These latter two programs are slated for termination despite an impressive record of returning a greater dollar value of work for every dollar expended.

Let us today go on record in support of efficient, cost-effective conservation programs that have the added benefit of providing training and jobs for unemployed youth. I congratulate my subcommittee chairman, the gentleman from Ohio, for his imaginative approach to solving these two critical problems, and I am proud to be his cosponsor of this measure.

I urge adoption of H.R. 4861.

Mr. ROYBAL. Mr. Speaker, I rise in strong support of H.R. 4861, to establish an American Conservation Corps modeled after the Civilian Conservation Corps in which I was proud to serve during the 1930's.

As a coauthor of H.R. 4861, I can assure my colleagues that seldom have we had the opportunity to consider legislation so rich in experience. H.R. 4861 combines the best features of the original CCC with the more recent achievements of the Youth Conservation Corps and the Young Adult Conservation Corps to create a new program that promises to become the most successful conservation and jobs effort in this country's history.

Both the Interior and the Education and Labor Committees have worked hard to make H.R. 4861 a piece of legislation worthy of the support of organizations ranging from the American Forestry Association and the National Audubon Society to the AFL-CIO and the U.S. Conference of Mayors. In one comprehensive package, the bill addresses two of the most serious problems facing our Nation today: The substandard condition of our natural resources; and rising youth unemployment. In short, H.R. 4861 would put unemployed youth between the ages of 15 and 25 to work maintaining and rehabilitating public lands and waters. Preference would be given to economically, physically, and educationally disadvantaged youths, thereby assuring employment for those most in need. Under the administration of the Interior Department, funds would be distributed primarily to the States on the basis of their total youth populations. Projects which could be funded include conservation of forests, fish, wildlife, rangelands, and soils; revitalization of urban areas, and preservation of historic and cultural sites; development and maintenance of recreational areas, roads, and trails; erosion and pest control; and energy conservation and production of renewable resources. Arrangements could be made for enrollees to secure academic credits during nonworking hours, and job guidance and placement would be authorized under the bill.

No time could be more critical than the present to approve legislation of this kind. Not since the Great Depression, which led to the formation of the original CCC, has unemployment reached such staggering proportions among our young people. Last month,

youth unemployment rose to 23 percent, with fully half of all minority youth out of work. The cost of such extensive unemployment in terms of both national productivity and human suffering is more than our society can afford to bear. In H.R. 4861, we have what I think is a highly effective means of dealing with this crisis.

As an alumnus of the CCC, I can attest to the benefits this type of program has for the young people it employs and for our society in general. As the oldest of a family of eight, I was faced after high school with the prospect of being unemployed at the height of the Depression. But because of the creation of the CCC, I was able to earn enough money building roads in the Sierras of California to help my family and make my own way. Being involved in public service gave me a sense of great pride and self-worth, and the experiences I had in the CCC gave me the will to further my education and pursue a career that has culminated in my election to the most powerful legislature on Earth.

Not many people realize just how important the projects were that we worked on in the CCC—projects that will always remain for the benefit and enjoyment of the American people. Skyline Drive in Virginia, the National Arboretum here in Washington, and Camp David, Md., which has become the Presidential retreat, are all monuments to the hard work and diligence of the nearly 3 million young people who served in the CCC.

Thanks to the achievements of the CCC, the concept of a conservation corps has been resurrected over the years in a series of federally enacted programs. These include the Youth Conservation Corps and the Young Adult Conservation Corps, both of which have been regarded as highly successful. In a number of States as well, including my own State of California, programs modeled after the old CCC have proven invaluable in the protection of our natural resources. Members of the California Conservation Corps, which was established in 1976, have helped to stabilize landslides, to control floods and fires, and—in a project that will long be remembered—to limit the spread of the Mediterranean fruitfly.

To anyone who would question the cost of establishing the American Conservation Corps authorized by H.R. 4861, we can answer very simply that for each dollar we spend to employ a young person, we will receive far more than a dollar's worth of benefits. Experience has proven, for example, that the YCC returned \$1.04 in conservation work for each program dollar spent, while the YACC produced a comparable return of \$1.20. But even beyond these identifiable economic benefits lie significant social benefits



of which we should all be aware. The deterrence of crime is the best example I can think of. Every measurement of crime and delinquency I've ever seen shows a direct and perhaps causal link between crime and unemployment. By putting our young people to work in the rehabilitation of this Nation's natural resources, we can ease the economic problems that induce crime and at the same time provide a safer and enjoyable environment in which to live.

In his 1933 inaugural speech, Franklin D. Roosevelt said:

This Nation asks for action, and action now. Our greatest primary task is to put people to work. . . . It can be accomplished in part by direct recruiting by the Government itself . . . accomplishing greatly needed projects to stimulate and recognize the use of our natural resources.

These words, which formed the basis for the establishment of the Civilian Conservation Corps, ring true today almost 50 years later. In the tradition of the CCC, the American Conservation Corps authorized by H.R. 4861 represents a sound investment in two of this country's most precious resources—our land and our young people—and I therefore urge my colleagues to join me in voting to pass the bill.●

● Mr. WIRTH. Mr. Speaker, the creation of the American Conservation Corps today would serve our country well.

Youth unemployment in our Nation is now at the highest level since World War II. We need to utilize and not throw away the resources of American youth. This bill, which would provide jobs for more than 100,000 young people on Federal, State, local, and tribal lands is an important investment in the minds and futures of our youth.

We have an opportunity to establish a cost-effective program to improve our public resources—our parks, forests, and other lands. Young people who want to work would be given valuable training and experience while performing important public service. Because funds to support the American Conservation Corps would be derived from fees collected from private firms using Federal lands, it would have little inflationary effect.

This program has a highly successful predecessor—the Civilian Conservation Corps of the 1930's. It was one of the most successful of the New Deal programs and deserves to be emulated.

The American Conservation Corps would be a significant partnership between rural and urban interests—providing meaningful work for unemployed urban youth and improvement of our public land treasures through conservation work.

The significant bipartisan support this measure has attracted shows that it is reasonable, it is prudent and it is

necessary. I urge my colleagues to support its passage.●

● Mrs. KENNELLY. Mr. Speaker, the Bureau of Labor Statistics has been providing us monthly with distressing new numbers on the rate of unemployment in this country. Youth unemployment is at record levels, with joblessness among minority young people reaching nearly 50 percent. But at a time when young people are facing a long, idle summer or months ahead out of school with no work, the administration proposes to terminate the successful and cost-effective Youth Conservation Corps and Young Adult Conservation Corps. These programs have provided important work experiences for our young people in the past and have reduced the backlog of conservation projects that demand attention on our public lands.

It would be naive to think that any one program provides all the answers, but with H.R. 4861, the American Conservation Corps Act of 1982, the Congress can reaffirm its support for the concept of a conservation corps and enact an improved version of the YCC and the YACC. By doing so, we will provide meaningful jobs to young men and women ages 15 to 25, while slowing and repairing the deterioration of our natural and cultural resources.

The YCC and the YACC have been particularly successful in the State of Connecticut. The two programs have been an enormous assistance in properly maintaining our natural resources better and more cost effectively than they had been down before. In addition a full-scale effort has been made with YCC/YACC workers to improve access to the State's recreation and fishing areas for handicapped citizens. I can foresee that the American Conservation Corps will be particularly valuable in helping the State with projects arising from the terrible devastation of last weekend's floods.

When speaking of the 2,100 jobs provided in Connecticut under these programs, it is difficult to quantify the return on investment in human resources. The positive termination rate is high in the State—participants have had the opportunity to be productive, to develop confidence in their abilities, and to gain the self-respect that comes from concrete achievement, all at a critical age in their lives. Some have even learned skills enabling them to go into business for themselves.

As the director of youth conservation programs in Connecticut, Richard Couch, pointed out, the larger question in this debate is how much we are willing to mortgage future generations, whether by negligence of public lands or negligence of our jobless youth. We have idle young people on one hand, and a critical need for manpower on the other. We have the work; young people need the jobs; better than a dollar's worth of work

will get done for every dollar devoted to the program. Let us not delay enactment of this important legislation any longer.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. SEIBERLING) that the House suspend the rules and pass the bill, H.R. 4861, as amended.

The question was taken.

Mr. ERLBORN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

#### GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### FISHERIES LOAN FUND AUTHORIZATION

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5662) to extend until October 1, 1983, the authority and authorization of appropriations for certain programs under the Fish and Wildlife Act of 1956 as amended.

The Clerk read as follows:

H.R. 5662

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 4 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c(c)) (relating to loan authority to finance the acquisition, equipping, and maintenance of commercial fishing vessels and gear) is amended by striking out "September 30, 1982" each place it appears therein and inserting in lieu thereof "September 30, 1983".*

*Sec. 2. Subsection (c)(6) of section 7 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(c)(6)) (relating to volunteer services in fish and wildlife programs) is amended by striking out "and 1982." and inserting in lieu thereof "1982 and 1983."*

The SPEAKER pro tempore. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. JONES) will be recognized for 20 min-

utes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5662 will extend, for a period of 1 year, two programs contained in the Fish and Wildlife Act of 1956.

The first of these is the Fisheries Loan Fund, section 4 of the act. This fund was originally established to provide low-cost financing to our commercial fishermen for the purchase, construction, equipment, maintenance, repair or operation of their vessels or gear. For some 8 years, beginning in 1972, this program was not available to fishermen because of a continuing moratorium imposed by several administrations.

However, with the passage of the American Fisheries Promotion Act in 1980, the fund was given a new lease on life for the specific purpose of helping our fishermen to stay afloat in the face of tremendous financial burdens imposed by national and international events over which they had no control. These burdens include high fuel costs and market competition from heavily subsidized foreign fishery products.

As redirected by the American Fisheries Promotion Act, the Fisheries Loan Fund provides low-interest loans to such vessel owners on the following priority basis: First, to those whose loans were obtained through the fishing vessel obligation guaranty program set forth in title XI of the Merchant Marine Act of 1936; second, to those whose Federal loans were not made under this program; and third, to defray operating expenses for those vessel owners or operators who have incurred a net economic loss.

I want to point out that this program, which has been a lifesaver to many American fishermen in the past couple of years, is carried out at no cost to the American taxpayer. The American Fisheries Promotion Act provided that all future costs of the fund would be paid from fees imposed on foreign fishing vessels for the privilege of fishing within our exclusive 200-mile fishery zone. These fees are now bringing in some \$30 million per year.

Finally, we have limited this reauthorization to a period of 1 year because my committee wishes to review this program with an eye toward finding new uses for these moneys when the current financial crunch facing our fishermen is eased.

Section 2 of H.R. 5662 would extend funding for section 7 of the Fish and Wildlife Act, to permit the Secretary of the Interior and the Secretary of Commerce to continue to cover various expenses incurred in connection with

volunteer programs; \$100,000 would be authorized for the Department of the Interior and \$50,000 for the Department of Commerce. These expenses are incurred as a result of legislation adopted in 1978 authorizing the recruitment, training and acceptance of services of individuals on a voluntary, unpaid basis to assist the U.S. Fish and Wildlife Service and the National Oceanic and Atmospheric Administration. The services involved include clerical as well as various field activities of benefit to our fish and wildlife resources.

The committee has made a technical change in H.R. 5662 to correct a printer's error in the bill as introduced. On page 2, line 5, the letter "f" has been inserted between "742" and "(c)" to correct the United States Code citation.

Mr. Speaker, these programs cost the American public little or nothing yet they assist us in maintaining some of our most precious natural resources. I hope my colleagues will join me in support of passage of H.R. 5663 to assure that they continue for the next year.

Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. BREAU), the chairman of the subcommittee.

Mr. BREAU. Mr. Speaker, the bill before us, H.R. 5662, extends the authorization of appropriations for the Fisheries Loan Fund. This fund, established under section 4 of the Fish and Wildlife Act of 1956, provides low interest loans to certain U.S. fishing vessel owners on the following priority basis: first, to those with outstanding federally backed loans made under the fishing vessel obligation guaranty, or FVOG program; second, to those with outstanding loans not made under the FVOG program; and third, to defray operating expenses for certain vessel owners or operators who have incurred a net operating loss.

To date, due to limited funding, all available moneys in the fund have been used by vessel owners with outstanding FVOG guarantees. The FVOG program, established under title XI of the Merchant Marine Act of 1936, provides a Federal guarantee to private lending institutions that make loans which are used to help capitalize the U.S. fishing industry. The program has long been a major contributor to the development of the domestic harvesting sector and one indication of its success has been the consistently and remarkably low rate of default on such loans.

More recently, however, several U.S. fisheries have fallen into serious economic disarray, despite the past progress made through the aid of the FVOG program. Many U.S. fishermen are now facing certain extinction due to intense, and often unfair, marketing competition from heavily subsidized

foreign fishing fleets. This situation has been further compounded by the exaggerated inflationary impact on U.S. fishermen of certain operational costs in the last decade, particularly fuel. The real significance of this situation can be fully appreciated only when one considers that fuel represents more than 50 percent of the operating costs in most offshore fisheries.

In addition to receiving fuel price subsidies many foreign competitors enjoy financing at very preferable rates and are free from expensive compliance with U.S. safety, labor, and environmental standards.

The impact of current economics in U.S. fisheries is exemplified by the condition of the Gulf of Mexico shrimp industry. Although this fishery is among the largest and most valuable in our Nation, producing high quality protein with an ex-vessel value of \$300 million in 1980, many shrimp vessels remain tied to the dock or are operating without profit or at a loss. As of March 15 of this year, 413 shrimp vessel owners had entered into loan commitments worth \$78.5 million under the FVOG program. Sixteen of these vessel owners are now in serious danger of default. Twenty-seven more of these vessel owners are presently facing default but have managed to secure temporary loan deferrals from their lenders. Four other vessel owners have not been so lucky—they have been forced into default and thus bankruptcy. A report by the National Marine Fisheries Service (NMFS) indicates that the default rate on FVOG loans in the gulf shrimp industry has now reached 3 to 4 per month.

Serious economic conditions in the fishing industry are certainly not limited to the gulf area. As far back as 1980, it had become evident that at least 25 percent of the fishing vessels operating in California, Washington, and Oregon that had entered into Production Credit Association loans were in danger of default. These fishermen are also forced to compete on the open U.S. market with subsidized or even government-owned foreign fishing fleets.

Mr. Speaker, the bottom line is that due to these inequities foreign nations have captured a huge share of U.S. fishery markets, have driven prices down to a dangerously low level, and, if not for the fisheries loan fund, would have forced many American fishermen out of existence. In fact, since 1980, the fisheries loan fund has enabled 113 American fishing vessel owners to successfully avoid defaulting on FVOG loans.

It cannot be emphasized enough that although \$5.5 million in the fund has been borrowed by U.S. fishermen, these loans were made at absolutely no cost to the American taxpayer. In-



stead, the entire expenditure was provided for by fees charged to foreign fishermen for the privilege of operating in U.S. waters. I repeat, foreign fishing fees are the sole source of moneys in the fund.

Furthermore, NMFS reports that the cost of such defaults to the Federal Government would have been over \$21 million had the Fisheries Loan Fund not been available to our fishermen. Instead, this program avoided those defaults. All outstanding loans under both the FVOG and loan fund programs are being repaid on schedule.

Mr. Speaker, the reality of the Fisheries Loan Fund is that it has enabled the U.S. Government to save millions of dollars and, more importantly, has made it possible for many American fishing vessel owners to achieve economic stability in a very difficult fiscal climate. Therefore, I request that this bill, H.R. 5662, be favorably considered and passed so that this invaluable program will be continued for another year.

□ 1400

Mr. JONES of North Carolina. Mr. Speaker, I reserve the balance of my time.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when the Fishery Conservation and Management Act was enacted, it provided that foreign fishermen would pay a fee for the privilege of operating in the U.S. 200-mile zone.

Initially the level of the fee bore no relationship to the value of the resource being removed by foreign fleets and, in fact, did not even cover the administrative costs incurred by the United States because of the presence of these fleets. The American Fisheries Promotion Act, passed in 1980, solved this problem by requiring that foreign fishing fees equal the administrative cost of having foreign fishermen in our zone.

The American Fisheries Promotion Act solved another problem associated with the foreign fishing fee system. The problem was that these fees were being placed in the General Treasury and no benefit was being derived by the U.S. fishing industry. The act placed foreign fishing fees in a special fund to be used to assist the U.S. fishing industry.

Using foreign fishing fees for this purpose is only right because the once healthy and prosperous U.S. fishing industry had been devastated economically by the predatory practices of foreign fishing fleets, many of which were subsidized. Fish resources which were once abundant were overfished and on the brink of economic collapse when the 200-mile act was passed. The major part of the blame for this re-

source disaster must be laid at the feet of foreign fishing fleets which operated with little or no regard for the resource. These same fleets, which are now regulated by the FCMA, bear some responsibility to the U.S. industry for the economic damage inflicted by overfishing. The fees paid by these foreign fishermen should be used to provide developmental assistance for the U.S. industry so that our fishermen can fully recover and resume their preeminent role as the harvesters and processors of the resources found in our 200-mile zone.

H.R. 5662 continues the fisheries loan fund which is the repository of foreign fishing fees. Currently, the act authorizes the use of these moneys to assist U.S. fishermen who, because of current economic conditions and competition with subsidized foreign fish imports, are experiencing significant economic difficulties. Moneys which were already available in the fisheries loan fund and which were used to assist vessel owners with federally guaranteed loans not only permitted these fishermen to continue their operations and to recover economically but also to avoid defaulting on approximately \$21.1 million in Government-guaranteed loans. This type of short-term assistance benefits the Government as well as the fishermen and the U.S. economy.

It is clear, however, that foreign fishing fees can be used for many other purposes. The Subcommittee on Fisheries and Wildlife Conservation and the Environment is planning to investigate alternative uses for these funds. I believe that these moneys can clearly be used to benefit the U.S. industry. For example, part of the funds could be used to provide grants, similar to Saltonstall-Kennedy Act grants, for industry development. The money could also be used to provide capital for a Federal loan guarantee program to assist the processing industry or to assist higher risk ventures which are not now eligible to participate in the vessel obligation guarantee program. These and other ideas are worth exploring and represent the types of projects which will benefit the U.S. industry and for which foreign fishing fees should be used.

To preserve the fisheries loan fund, through which these foreign fishing fees are, and will be, channeled, I urge the adoption of H.R. 5662.

Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. I want to congratulate both the chairman of the full committee, and the subcommittee, particularly and the gentleman from New Jersey, who have done a lot of work on this bill. I think it is a sound bill, a step forward and I congratulate all of them and state that I am in strong support of the legislation.

● Mr. AUCCOIN. Mr. Speaker, I urge my colleagues to join me in support of H.R. 5662, which extends the authorization of appropriations for the fisheries loan fund.

As every Member of Congress from a coastal district knows, fishermen are in deep economic trouble today. High fuel prices and increasing interest rates are destroying hopes of making a good income.

Our Nation's fishermen are in deep economic trouble today and without support, they might as well call it quits. They cannot survive much longer without assistance.

Fishermen are on the downhill slide economically. In 1980, almost 8,400 fishermen were licensed in Oregon. Last year, 400 simply gave up. The Oregon Department of Fish and Wildlife predicts a further decline in the number of licenses for next year.

What is happening to the industry can best be explained by fishermen themselves. Earlier this year, I held a series of hearings in my district on the plight of small business and fishermen all across the board agree with an experienced fisherman, who told me how fishing fleets "were built with money that was readily accessible at very reasonable rates. Today, intense competition makes the slice of our pie very thin. And when you add mortgages that are on floating interest rates—it is almost impossible to stay current."

The fisheries loan fund will simply provide financial assistance where it is needed. Low-interest loans are made available to owners of fishing vessels. First priority is given to federally guaranteed loans under the fishing vessel obligation guarantee program.

But one may still ask why should there be a fisheries loan fund? Fishermen in my district tell me that most banks are reluctant to loan on commercial boats but will make a loan with a Federal guarantee to back it up.

For these reasons, I urge my colleagues to support reauthorization of the fisheries loan fund and give fishermen an opportunity to make a decent living.●

● Mr. DYSON. Mr. Speaker, the fisheries loan fund provides low-cost financing or refinancing for the purchase, construction, reconstruction, or reconditioning of fishing vessels that are guaranteed by the Federal Government under the title XI fishing vessel obligation guarantee (FVOG) program. The funds involved in this program are derived from fees levied against foreign fishermen, not the U.S. taxpayer.

The woeful status of the American fisherman stems in part from high operating expenses, falling catches, and foreign imports. The total import value in 1981 of edible and nonedible fishery products was a record \$4.2 billion, an increase of 14 percent com-

pared with 1980. The total export of edible and nonedible fishery products for the same period was \$1.2 billion, up 15 percent from 1980. Clearly, the balance of trade is not in the favor of the United States and substantial increases in the fishery effort will have to be made if this trade imbalance is to be reduced.

It seems altogether appropriate at this time to support reauthorization for appropriations of the fisheries loan fund for 1 year. I believe it is in the national interest to attempt to reduce the balance-of-trade deficit by encouraging modernization of the U.S. fishing fleet and a greatly increased fishing effort. Commercial fishermen have a legitimate need for this fund in the light of the present high-interest rates. It must be remembered that the funds for this program are produced through a foreign vessel user fee, a concept that is entirely consistent with the goals of the administration. ●

Mr. FORSYTHE. Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 5662, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the measure just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

#### ANADROMOUS FISH CONSERVATION ACT AUTHORIZATION

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5663) to authorize appropriations to carry out the Anadromous Fish Conservation Act during fiscal year 1983, as amended.

The Clerk read as follows:

H.R. 5663

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(a) of the Anadromous Fish Conservation Act (16 U.S.C. 757d) is amended by adding after paragraph (3) the following new paragraph:*

"(4) \$7,500,000 for each of fiscal years 1983, 1984, and 1985."

Sec. 2. The first sentence of section 7(d) of the Anadromous Fish Conservation Act (16 U.S.C. 757g(d)) is amended by striking out "and" after "1981," and by inserting immediately before the period the following: ", and not to exceed \$1,000,000 for each of the fiscal years ending September 30, 1983, September 30, 1984, and September 30, 1985."

Sec. 3. Section 7 of the Anadromous Fish Conservation Act (16 U.S.C. 757g) is amended by adding at the end thereof the following new subsection:

"(e) After September 30, 1984, no funds appropriated under the authority of section 4(a) or 7(d) shall be made available to any of the twelve affected Atlantic coast States which, in the judgment of the Secretary of Commerce, have not implemented the 'Interstate Fisheries Management Plan for the Striped Bass of the Atlantic Coast from Maine to North Carolina.'"

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from North Carolina (Mr. JONES) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina, (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5663 will reauthorize two sections of the Anadromous Fish Conservation Act of 1965. This act provides for the conservation, development, and enhancement of the anadromous fishery resources of our country that are either subject to depletion from such causes as water resources development, or are subject to international agreements imposing conservation commitments on the United States. The species involved include: salmon, steelhead trout, wall-eye, shad, sturgeon, and striped bass. These are among the most economically important species of fish we have.

At the present time, there are 31 States which meet the criteria of the act; that is, they have anadromous species within their boundaries or they border on Lake Champlain or the Great Lakes and have species that ascend rivers to spawn within their boundaries. Of these 31, 28 States have entered into cooperative agreements with the Secretary of Commerce regarding commercial fisheries or with the Secretary of the Interior with respect to sport fisheries.

The two sections of the act which this bill would reauthorize are sections 4 and 7. Section 4 provides for grants to the States to carry out the purposes of the act. H.R. 5663 provides an authorization in the amount of \$7.5 million for each of the next 3 fiscal years, 1983, 1984, and 1985 under this section. This is considerably less than has been authorized for this purpose in the past, but it is more realistic in terms of the actual amounts which have been appropriated for these purposes in past years.

Section 7 of the act was added in 1980. It provides for an emergency research program for striped bass, a species which was found in vast quantities throughout the North and Mid-Atlantic States of our country from Maine to North Carolina, until it suffered a sudden and rapid decline in recent years. The causes of this decline are still not fully known and therefore it is necessary to continue this research program. This bill authorizes \$1 million for each of the next 3 fiscal years for this purpose. This reauthorization should enable the National Marine Fisheries Service and the Fish and Wildlife Service together with the affected States to complete the research which we are hopeful will lead to the rejuvenation of this popular and economically important species.

A fishery management plan for this species has been developed and the related States are in the process of adapting to it. In an effort to insure that all of the involved States comply with this plan, the committee included language in H.R. 5663 which would cut off funds under the act to any State which fails to implement the plan by September 30, 1984.

Mr. Speaker, these are important species which are vital to the continued health of both our commercial and recreational fisheries. H.R. 5663 will provide for the continuation of programs which enable our State and Federal governments to work together to assure that these species will thrive in the future for the benefit of all Americans. I urge the adoption of H.R. 5663.

Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. BREAU).

Mr. BREAU. Mr. Speaker, as this Nation marched into the industrial era, the impact of progress fell heavily upon our fish and wildlife resources. Nowhere was this more evident than with our anadromous fish resources which depended upon access to upriver spawning areas and upon a high degree of water quality to survive. The Anadromous Fish Conservation Act of 1965 was a recognition of the plight of our anadromous fish resources and an expression of this Nation's concern for the conservation, restoration, and enhancement of those fish.

The history of the salmon resource in the Pacific Northwest is illustrative of the need for, and of the potential success of, the Anadromous Fish Conservation Act. During the forties and fifties, the salmon harvest fell dramatically as the abundance of wild stocks declined. This decrease was due to environmental degradation and the loss of spawning grounds. Hydroelectric development on the Columbia and Snake Rivers, for example, blocked access to thousands of miles of tribu-



tary spawning and rearing habitat in the Columbia River Basin. Today, only 50 miles of free-flowing stream remain in the Columbia River. Over 50 percent of the Snake River is no longer accessible to anadromous fish. Compounding this loss of spawning and rearing habitat is the serious decline in water quality in many of our river systems.

To address the conservation and enhancement needs of salmon and other anadromous species, the Anadromous Fish Conservation Act established a matching grant program for States and other non-Federal entities. Eligible individual projects may be funded at a 50-percent matching level. Multi-state cooperative agreements are eligible for up to 66½ percent. Using funds provided under the act, States have constructed hatcheries and spawning channels which today are producing large quantities of fish to overcome the impact of environmental degradation and of dam construction. Fish screens and by-passes at dams protect young downstream migrant fish. Research on breeding and migration habits have significantly improved salmon survival rates.

The success of this 15-year research and development program is evident today. The ex-vessel value of the total U.S. commercial salmon landings reached \$352 million in 1980. If the value added at the retail level is considered, the 1980 commercial salmon harvest generated between \$700 million and \$1.4 billion to the U.S. economy. The recreational salmon fishery is also of tremendous importance. In 1980, the recreational salmon and steelhead trout fishery generated \$73.7 million in the States of Oregon and Washington alone.

Atlantic salmon restoration in New England has also been extremely encouraging. On the Penobscot River in Maine, where 11 fish ladders have opened 275 miles of stream, runs have increased from near extinction to several thousand. On the Connecticut River, we are now seeing the largest salmon runs in 100 years. These increased runs are not only important in their own right, they also serve as indicators of improving conditions in the rivers and of the success of the Anadromous Fish Conservation Act.

Mr. Speaker, in considering this legislation we must not be limited in our focus to salmon alone. Other species of anadromous fish have suffered declines similar to that experienced by salmon. The present populations of Atlantic striped bass, shad, and river herring are respectively one-third, one-eighth, and one-sixteenth the level at which they existed in the early seventies. Atlantic sturgeon has been reduced far below economic extinction. There is a pressing need for the Anadromous Fish Conservation Act to refocus its program from the re-

covering Pacific salmon fisheries to these other anadromous species. The successes of the Pacific must now be duplicated elsewhere.

Of particular concern is the striped bass. In 1970, the total Atlantic coast commercial and recreational harvest of striped bass was 116 million pounds. One million anglers spent over \$100 million. By 1979, the recreational harvest had declined to 7 million pounds.

Although the striped bass may be the most sought after sport fish along the Atlantic coast, the reasons for this dramatic decline are largely unknown and significant problems must be overcome before scientifically based management can be developed. For example, the migratory behavior of each spawning stock along the coast must be determined. Quantitative descriptions of natural and fishing mortality are needed for each age, sex, and class. The factors which control the size of year classes for each spawning stock must be determined. Perhaps most importantly, there is a critical lack of information on the effects of water quality degradation upon the fish.

For the striped bass and for many other anadromous fish species, there is much yet to be done. And let there be no mistake about the economic value of the money spent under this program. Since the Anadromous Fish Conservation Act was passed and first funded, approximately \$76 million has been appropriated. The cost-benefit ratio has been approximately 16 to 1. Thus, this \$76 million has generated over \$2.4 billion in economic benefits to the Nation. These benefits stand in addition to the nontangible and esthetic benefits enjoyed by our citizens.

To address the conservation and enhancement needs of our anadromous fishery resources, H.R. 5663 authorizes \$7.5 million in each of the next 3 fiscal years. H.R. 5663 also continues the emergency striped bass research program at an authorized level of \$1 million in each of the next 3 fiscal years. The legislation before us today also recognizes the critical importance of coordinating and unifying management for species which migrate over great distances and through the boundaries of many States. In the case of striped bass, the 12 Atlantic coast States, Maine to North Carolina, have recognized the need for coordinated management and have approved such a program for striped bass. These States are now in the process of individually adopting and implementing this program. H.R. 5663 provides that if any of the 12 affected States have failed to implement the program by September 30, 1984, that State shall be ineligible to receive funding under the Anadromous Fish Conservation Act.

Mr. Speaker, H.R. 5663 is one of the most cost effective and important fishery conservation measures ever en-

acted by Congress and I strongly urge that the authorization for this program be continued.

Mr. JONES of North Carolina. Mr. Speaker, I reserve the balance of my time.

Mr. FORSYTHE. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. I thank the gentleman from New Jersey. I think everyone is aware there are many problems in the fisheries business these days. Certainly in the Northwest, salmon has gone through a most difficult time. But with the anadromous bill and the help we have had over the years, and without the research efforts that have been going on and are going on now, I think our case would be really hopeless. So, I want to strongly support this bill.

I want to thank the chairman and the ranking member for their efforts and I say that this is a good step in the right direction and it really is a part of the solution.

So we thank you and I hope the body will strongly support this legislation.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 5663, which extends the authorization for the Anadromous Fish Conservation Act. Since this act was first funded in 1967, approximately \$41 million has been made available to the Fish and Wildlife Service, which administers part of the program. That \$41 million in research, construction, and related activities has enhanced the fisheries and resulted in direct economic benefits to the country valued at \$671 million in the commercial and recreational fisheries. The National Marine Fisheries Service which administers another part of the program has estimated that its cost-benefit ratio is just as favorable. In fact, between both agencies, approximately \$150 million has been expended and this has generated approximately \$2.4 billion in direct and indirect economic benefits to the economy.

By a wide margin the various salmon species have been the most economically important among U.S. anadromous fishery resources. The ex-vessel value of the total U.S. commercial salmon landings reached \$352 million in 1980, making this fishery the most valuable of all U.S. finfish fisheries. If the value added at the retail level is considered, the U.S. 1980 commercial salmon harvest generated between \$700 million and \$1.4 billion to the U.S. economy. The recreational salmon and steelhead trout fishery is also extremely valuable. In 1980 this fishery generated \$73.7 million in the States of Oregon and Washington alone.

But salmon is not the only anadromous species with which we are concerned. Species such as shad, river herring, and striped bass have played, and continue to play, an important economic role in various regions of this country. The plight of the striped bass, a premier recreational and commercial fish, is illustrative of the plight of these species. As recently as 1973 approximately 14.1 million pounds of striped bass were landed commercially. Today, the resource cannot support that harvest level. In 1980 only 3.4 million pounds were commercially harvested and only 3.3 million pounds were landed by sportsmen.

The reasons for this decline are found in the continuing degradation of spawning and estuarine areas which are necessary for the survival of the striped bass. In response to this, the Anadromous Fish Conservation Act provides a special research program to determine ways to reverse the decline of this magnificent fish. The striped bass research program has just begun to bear fruit and it should be continued so that we may take the steps needed to enhance the striped bass—a fish which has such an important place in the fishing economy of the Atlantic region.

Not only does the Anadromous Fish Conservation Act provide important economic benefits to the recreational and commercial fishermen of this Nation and to the coastal economies supported by these fishermen, but the act is also critically important to the implementation of the Fishery Conservation and Management Act. Under that act, the United States exercises fishery management authority over approximately 20 percent of the marine fishery resources of the world. Developing management plans for resources of this magnitude requires a tremendous amount of information which the Federal Government does not have the capability to develop. We must, therefore, turn to the States for biological assessment data. And let there be no mistake about the importance of the State role. Approximately two-thirds of the fish resources found within our 200-mile zone spend some part of their life cycle in the coastal and estuarine areas within State boundaries. Generally, when these fish resources are found in coastal and estuarine areas they are at a very vulnerable stage in their life cycle. Improving their chances of survival, as well as assessing the rate of survival, are matters whose importance to fisheries management cannot be overstated.

Approximately 55 percent of the money spent by the National Marine Fisheries Service pursuant to the Anadromous Fish Conservation Act and approximately 45 percent of the funds expended by the Fish and Wildlife Service directly support FCMA-re-

lated research. If these funds were not available to the States, the Federal Government would have to undertake the same research. However, making these moneys available to the States is a more cost effective way to undertake this research because the Anadromous Fish Conservation Act is a matching grant program supported by both State and Federal funds.

Mr. Speaker, the accomplishments of this program are many. The contributions it has made to fishery resource conservation and enhancement are clear and I urge my colleagues to support this legislation.

● Mr. AUCOIN. Mr. Speaker, I join my colleagues in supporting reauthorization of Public Law 89-304, the Anadromous Fish Conservation Act.

Anadromous fish are tremendously valuable in many parts of the country. Important commercial and recreational fisheries for anadromous fish exist in 30 coastal and Great Lakes States as well as in the Federal fishery conservation zone established under the Magnuson Fishery Conservation and Management Act.

In the Pacific Northwest, annual total values of specific anadromous fisheries are difficult to estimate, but some information is available. The estimated net economic value of recreational salmon and steelhead fishing in Washington and Oregon marine and freshwater areas is \$73.7 million. Salmon fishing also generates secondary economic activity. Regional economic benefits from anadromous fish production in the Columbia River alone are estimated at \$102 million annually.

The main focus of Anadromous Fish Conservation Act programs is on coded-wire tagging and stock assessments. It also assists other projects for improved management and productivity of salmon. Oregon and California presently carry out major upriver stocks and habitat studies designed to increase the overall productivity of presently depressed stocks of major salmon rivers. Funding also supports a treaty Indian catch record system which enables Columbia River tribes to provide compatible catch data to the regional data network required for proper management and allocation of the salmon harvest.

Without continuing Federal support, many of these valuable research programs will be stopped.

I urge my colleagues to support the reauthorization of the Anadromous Fish Conservation Act. Once the program is reauthorized, the job to provide the money is left up to the Appropriations Committee, and as a member of that committee, I will work to see that Congress appropriates adequate funding.●

● Mr. DYSON. Mr. Speaker, the Chesapeake Bay is one of the Nation's

richest estuaries and is a spawning ground for various anadromous fishes which comprise a large proportion of fish captured in the mid-Atlantic fishery. According to National Marine Fisheries Service (NMFS), fully 80 to 90 percent of the striped bass taken in the mid-Atlantic fishery region were spawned in the upper Chesapeake Bay. This resource has seen a precipitous decline in the last decade and the causes are still obscure. However, research over the past few years has narrowed down the number of reasons and, with continued funding, it is likely that some positive answers to this problem will be forthcoming.

I represent a district in which both commercial and recreational fishing are dominant elements of the economy. The striped bass has long been a popular game fish in the district's waters and this decline is viewed with great alarm. But, it is not the only anadromous anadromous fish that is in decline. Shad, once available in great alarm. But, it is not the only anadromous fish that is in decline. Shad, once available in great numbers, has become so scarce that the State of Maryland has placed a total ban on their taking. Atlantic sturgeon, presently classified as endangered in Virginia and threatened in New Jersey, also spends a portion of its lifetime in Maryland estuaries. Alewife and blueback herring are also important sport, commercial, and forage species which use the estuaries for spawning purposes in the spring and migrate out to sea during the fall.

non-Federal studies specifically directed to conserving, developing, and enhancing our Nation's anadromous fish resources. Section 7 of the act authorizes the "emergency striped bass research study" which has identified numerous factors thought to be responsible for the declining striped bass populations.

Together, the provisions of the act will address significant problems associated with the popular striped bass and will increase the yields of other anadromous fish species through coordinated research, conservation, and management for the benefit of the Nation.●

Mr. FORSYTHE. Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rule and pass the bill, H.R. 5663, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.



The title of the bill was amended so as to read: "A bill to authorize appropriations to carry out the Anadromous Fish Conservation Act during fiscal years 1983, 1984, and 1985 and for other purposes."

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the measure just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

#### ENDANGERED SPECIES ACT AMENDMENTS

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6133) to authorize appropriations to carry out the Endangered Species Act of 1973, as amended, through fiscal year 1984, as amended.

The Clerk read as follows:

H.R. 6133

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. DETERMINATION OF ENDANGERED AND THREATENED SPECIES.

(a) Section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533) is amended as follows:

(1) Subsection (a)(1) is amended—

(A) by redesignating subparagraphs (1) through (5) as subparagraphs (A) through (E);

(B) by striking out "sporting," in subparagraph (B) (as so redesignated) and inserting in lieu thereof "recreational,"; and

(C) by amending the penultimate sentence by striking out "by regulation", and by striking out "prudent, specify" and inserting in lieu thereof "prudent and determinable, specify therein".

(2) Subsection (b) is amended—

(A) by inserting "solely" immediately before "on the basis" in the matter preceding subparagraph (A) of paragraph (1); and

(B) by amending paragraph (1)(B) to read as follows:

"(B) allowed each such State 90 days after notification to submit its comments and recommendations (except to the extent that such period may be shortened by agreement between the Secretary and the Governor or Governors concerned) and, if he disagrees with any of such comments and recommendations, provided the State with a written statement of the reasons for disagreement; and".

(3) Subsection (c)(2) is amended to read as follows:

"(2)(A) To the maximum extent practicable, the Secretary shall, within 180 days after receiving the petition of an interested person under section 553(e) of title 5, United States Code, determine whether the petition contains substantial evidence indicating that the species concerned is likely to qual-

ify for addition to, or removal from, either of the lists published pursuant to paragraph (1).

"(B) If an affirmative determination is made under subparagraph (A) regarding a petition, the Secretary shall immediately commence rulemaking procedures pursuant to subsection (f) to list or delist, as the case may be, the species concerned. A negative determination regarding a petition under subparagraph (A) shall be subject to judicial review."

(4) Subsection (f)(5) is amended to read as follows:

"(5)(A) A final regulation adding a species to (whether or not critical habitat is specified therein), or removing a species from, any list published pursuant to subsection (c) shall be published in the Federal Register no later than 1 year after the date of publication of general notice under paragraph (2) proposing such listing or delisting; but no publication of such a final regulation may be made before the close of such 1-year period unless the critical habitat, to the maximum extent prudent and determinable, is specified therein.

"(B) If the Secretary finds that there is substantial disagreement regarding the sufficiency or accuracy of the available scientific or commercial information regarding whether a species should be listed or delisted, the Secretary may extend the 1-year period specified in subparagraph (A) for not more than 6 months for purposes of soliciting additional information from specialists (selected after consultation with appropriate professional organizations) in the matters concerned. If a proposed regulation is not adopted within such 1-year period (or longer period if extension under the preceding sentence applies) because the Secretary has determined that there is not sufficient evidence to justify listing or delisting the species concerned, the Secretary shall withdraw the regulation and shall publish notice of the determination to withdraw in the Federal Register not later than 30 days after the end of such period. A determination to withdraw a regulation shall be subject to judicial review. The Secretary may not propose a regulation that has previously been withdrawn under this subparagraph unless he determines that sufficient new information is available to warrant such proposal.

"(C) If a regulation referred to in subparagraph (A) does not specify critical habitat therein, then a final regulation specifying, to the maximum extent prudent, such habitat shall be published in the Federal Register before the close of the 1-year period beginning on the closing date of the 1-year period (or longer period if extension under subparagraph (B) applies) referred to in subparagraph (A)."

(5) Subsection (g) is amended by striking out "recovery plans," and inserting in lieu thereof "recovery plans (1) shall, to the maximum extent practicable, give priority to preparing plans for endangered species or threatened species that are, or may be, in conflict with construction or other developmental projects; and (2)".

(b) The provisions of paragraph (5) of section 4(f) of such Act of 1973 (as in effect on the day before the date of the enactment of this Act) shall continue to apply to any regulation that proposes to add a species to a list published pursuant to section 4(c) of such Act of 1973 if the general notice proposing such regulation was published before such date of enactment. Any petition filed under such section 4(c) before, and pending

with the Secretary on, such date of enactment shall be treated as having been filed with the Secretary under such section on such date of enactment.

#### SEC. 2. COOPERATION WITH THE STATES.

Section 6 of the Endangered Species Act of 1973 (16 U.S.C. 1535) is amended—

(1) by striking out "66% per centum" in subsection (d)(2)(i) and inserting in lieu thereof "75 per centum";

(2) by striking out "75 per centum" in subsection (d)(2)(ii) and inserting in lieu thereof "90 per centum"; and

(3) by amending subsection (i) to read as follows:

"(i) APPROPRIATIONS.—For the purposes of this section, there are authorized to be appropriated not to exceed \$6,000,000 for each of fiscal years 1983, 1984, and 1985."

#### SEC. 3. INTERAGENCY COOPERATION AND COMMITTEE EXEMPTIONS.

Section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536) is amended as follows:

(1) Subsection (a) is amended—

(A) by amending paragraph (2) by inserting

"(A)" immediately after "(2)", and by adding at the end thereof the following new subparagraph:

"(B) A Federal agency, promptly after receiving an application for a permit or license for an activity regarding which the Secretary has issued an opinion required under subsection (b)(3), shall issue to the applicant a written statement indicating whether, in the agency's judgment, the carrying out of the action will violate subparagraph (A); and, if the agency's judgment is in the affirmative, whether the agency would likely issue the permit or license but for such judgment."; and

(B) by redesignating paragraph (3) as paragraph (4) and by inserting immediately after paragraph (2) the following new paragraph:

"(3) Subject to such guidelines as the Secretary may establish, a prospective permit or license applicant may consult with the Secretary at any time the applicant has reason to believe that an endangered species or threatened species may be present and that implementation of the action concerned will likely affect such species."

(2) subsection (b) is amended to read as follows:

"(b) OPINION OF SECRETARY.—(1) Consultation under paragraph (2)(A) of subsection (a) with respect to any agency action shall be concluded within 90 days after the date on which initiated or within such other period of time as is mutually agreeable to the Secretary and the Federal agency; but if the agency action involves a permit or license applicant, such 90-day period may not be extended by the Secretary and the Federal agency—

"(A) for less than 45 days unless the Secretary, before the close of the 90-day period, provides the applicant with a written statement of the reasons for the extension, or

"(B) for 45 days or more unless the Secretary, before the close of the 90-day period, obtains the written consent of the applicant to the extension.

"(2) Consultation under paragraph (3) of subsection (a) shall be concluded within such period as is mutually agreeable to the Secretary and the applicant concerned.

"(3) Promptly after conclusion of consultation under paragraph (2)(A) or (3) of subsection (a), the Secretary shall provide to the Federal agency or the applicant, as the

case may be, a written statement setting forth the Secretary's opinion, and a summary of the information on which the opinion is based, detailing how the agency action affects the species or its critical habitat. If such jeopardy or adverse modification is found, the Secretary shall suggest those reasonable and prudent alternatives which he believes would not violate subsection (a)(2)(A) and can be taken by the Federal agency or applicant in implementing the agency action. An opinion issued by the Secretary incident to consultation under subsection (a)(3) regarding an agency action shall be treated as an opinion issued after consultation under subsection (a)(2)(A) regarding that action if the Secretary reviews the action before it is commenced by the Federal agency and finds that no significant changes have been made with respect to the action and that no significant change has occurred regarding the scientific information used during the initial consultation.

"(4) If after consultation under paragraph (2)(A), the Secretary concludes that—

"(A) the agency action will not violate subsection (a)(2)(A), or offers reasonable and prudent alternatives that will enable the action agency to avoid violating subsection (a)(2)(A); and

"(B) the taking of a listed species incidental to the agency action will not violate subsection (a)(2)(A); the Secretary shall provide the Federal agency or applicant with a written statement that—

"(i) specifies the impact of such incidental taking on the species,

"(ii) specifies those reasonable and prudent measures that the Secretary considers necessary or appropriate to minimize such impact, and

"(iii) sets forth the terms and conditions (including, but not limited to, reporting requirements) that must be complied with by the Federal agency or applicant in order to implement the measures specified under clause (ii)."

(3) Subsection (c) is amended—

(A) by amending the penultimate sentence in paragraph (1) by inserting ", except that if a permit or license applicant is involved, the 180-day period may not be extended unless the Secretary provides the applicant, before the close of such period, with a written statement setting forth the length of the proposed extension and the reasons therefor" immediately after "agency" and before the parenthesis; and

(B) by amending the first sentence of paragraph (2) to read as follows: "Each permit or license applicant undertaking consultation under subsection (a)(3), and any person who may wish to apply for exemption under subsection (g), may conduct a biological assessment to identify any endangered species or threatened species which is likely to be affected by the agency action concerned."

(4) Subsection (g) is amended as follows:

(A) The sideheading is amended to read as follows: "SUBMITTAL OF APPLICATION FOR EXEMPTION; REPORT BY SECRETARY.—"

(B) The first two sentences of paragraph (1) are amended to read as follows: "A Federal agency, the Governor of the State in which an agency action will occur, if any, or a permit or license applicant may apply to the Secretary for an exemption for an agency action of such agency if, after consultation under paragraph (2) or (3) of subsection (a), the Secretary's opinion under subsection (b)(3) indicates that the agency action would violate subsection (a)(2)(A). An application for an exemption shall be con-

sidered initially by the Secretary in the manner provided for in this subsection, and shall be considered by the Committee for a final determination under subsection (h) after a report is made pursuant to paragraph (5)."

(C) Paragraph (2) is amended—

(i) by amending the first sentence of subparagraph (A) to read as follows: "An exemption applicant shall submit a written application to the Secretary, in a form prescribed under subsection (f), not later than 90 days after the completion of the consultation process under subsection (a)(2)(A) if the agency action does not involve a permit or license applicant; or, if the action involves a permit or license applicant, not later than 90 days after (i) the date on which the applicant receives the written statement required under subsection (a)(2)(B), or (ii) the date on which the Federal agency concerned takes final agency action, for purposes of chapter 7 of title 5, United States Code, regarding such action."; and

(ii) by amending subparagraph (B) by striking out "to the review board to be established under paragraph (3) and".

(D) Paragraphs (3) and (4) are repealed.

(E) Paragraph (5) is redesignated as paragraph (3) and is amended—

(i) by amending that portion which precedes clause (i) to read as follows: "Within 30 days after receiving an application under paragraph (2)(A), the Secretary, in consultation with the Committee, shall determine whether (A) an irresolvable conflict exists, and (B) whether the Federal agency concerned and the exemption applicant have—"; and

(ii) by striking out "review board" in the second sentence and inserting in lieu thereof "the Secretary".

(F) Paragraph (6) is redesignated as paragraph (4) and is amended to read as follows:

"(4) If the Secretary determines that an irresolvable conflict exists and makes positive determinations under subclauses (i), (ii), and (iii) of paragraph (3)(B) the Secretary shall proceed to prepare the report required under paragraph (5)."

(G) Paragraph (7) is redesignated as paragraph (5) and is amended—

(i) by amending that part which precedes subparagraph (A) to read as follows: "Within 120 days after making the determinations under paragraph (4), the Secretary shall submit to the committee a report discussing—";

(ii) by striking out "a summary of the evidence concerning" in subparagraph (B); and

(iii) by adding at the end thereof the following flush sentence:

"The Secretary shall hold at least one public hearing on the matters to be discussed in the report and shall include with the report a summary of the evidence on which it is based."

(H) Paragraph (8) is redesignated as paragraph (6) and is amended by striking out "subsection (g) of".

(I) Paragraphs (9) and (11) are repealed.

(J) Paragraph (10) is redesignated as paragraph (7) and is amended—

(i) by striking out "a review board" and inserting in lieu thereof "the Secretary"; and

(ii) by striking out "review board to assist it in carrying out its" and inserting in lieu thereof "Secretary to assist him in carrying out his".

(K) Paragraph (12) is redesignated as paragraph (8) and is amended to read as follows:

"(8) All hearings held by the Secretary in carrying out this subsection, and the evi-

dence submitted at the hearings, shall be open to the public."

(5) Subsection (h)(1) is amended—

(A) by striking out "90 days of receiving the report of the review board under subsection (g)(7)" in the first sentence and inserting in lieu thereof "30 days of receiving the report of the Secretary pursuant to subsection (g)(5)"; and

(B) by amending subparagraph (A) by striking out "review board" immediately after "the report of the" and inserting in lieu thereof "Secretary".

(6) Subsection (o) is amended to read as follows:

"(o) Notwithstanding sections 4(d) and 9(a) or any regulation promulgated pursuant to either such section—

"(1) any action for which an exemption is granted under subsection (h) shall not be considered to be a taking of any endangered species or threatened species with respect to any activity which is necessary to carry out such action; and

"(2) any taking that is in compliance with the terms and conditions specified in a written statement pursuant to subsection (b)(4)(iii) shall not be considered to be a taking of any endangered species or threatened species."

(7) Subsection (q) is amended to read as follows:

"(q) There are authorized to be appropriated to the Secretary to assist him and the Committee in carrying out their functions under subsections (e), (f), (g), and (h) of this section not to exceed \$600,000 for each of fiscal years 1983, 1984, and 1985."

#### SEC. 4. CONVENTION IMPLEMENTATION.

(a) Section 8A of the Endangered Species Act of 1973 (16 U.S.C. 1537a) is amended—

(1) by amending subsection (c) by inserting "(1)" after "(c)", and by adding at the end thereof the following new paragraph:

"(2) The Secretary shall base the determinations and advice given by him under Article IV of the Convention with respect to wildlife upon the best available biological information derived from professionally accepted wildlife management practices; but is not required to make, or require any State to make, estimates of population size in making such determinations or giving such advice."

(2) by amending subsection (d) to read as follows:

"(d) RESERVATIONS BY THE UNITED STATES UNDER CONVENTION.—If the United States votes against including any species in Appendix I or II of the Convention and does not enter a reservation pursuant to paragraph (3) of Article XV of the Convention with respect to that species, the Secretary of State, before the 90th day after the last day on which such a reservation could be entered, shall submit to the Committee on Merchant Marine and Fisheries of the House of Representatives, and to the Committee on the Environment and Public Works of the Senate, a written report setting forth the reasons why such a reservation was not entered."; and

(3) by amending subsection (e) to read as follows:

"(e) WILDLIFE PRESERVATION IN WESTERN HEMISPHERE.—(1) The Secretary of the Interior (hereinafter in this subsection referred to as the "Secretary"), in cooperation with the Secretary of State, shall act on behalf of, and represent, the United States in all regards as required by the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere (56 Stat. 1354,



T.S. 982, hereinafter in this subsection referred to as the 'Western Convention'). In the discharge of these responsibilities, the Secretary and the Secretary of State shall consult with the Secretary of Agriculture, the Secretary of Commerce, and the heads of other agencies with respect to matters relating to or affecting their areas of responsibility.

"(2) The Secretary and the Secretary of State shall, in cooperation with the contracting parties to the Western Convention and, to the extent feasible and appropriate, with the participation of State agencies, take such steps as are necessary to implement the Western Convention. Such steps shall include, but not be limited to—

"(A) cooperation with contracting parties and international organizations for the purpose of developing personnel resources and programs that will facilitate implementation of the Western Convention;

"(B) identification of those species of birds that migrate between the United States and other contracting parties, and the habitats upon which those species depend, and the implementation of cooperative measures to ensure that such species will not become endangered or threatened; and

"(C) identification of measures that are necessary and appropriate to implement those provisions of the Western Convention which address the protection of wild plants.

"(3) No later than September 30, 1985, the Secretary and the Secretary of State shall submit a report to Congress describing those steps taken in accordance with the requirements of this subsection and identifying the principal remaining actions yet necessary for comprehensive and effective implementation of the Western Convention.

"(4) There is authorized to be appropriated to the Department of the Interior not to exceed \$150,000 for each of fiscal years 1983 and 1984, and not to exceed \$300,000 for fiscal year 1985, for purposes of carrying out this subsection, and such sums shall remain available until expended.

"(5) The provisions of this subsection shall not be construed as affecting the authority, jurisdiction, or responsibility of the several States to manage, control, or regulate resident fish and wildlife under State law or regulations."

(b) The amendment made by paragraph (1) of subsection (a) shall take effect January 1, 1981.

#### SEC. 5. EXPERIMENTAL POPULATIONS AND OTHER EXCEPTIONS.

Section 10 of the Endangered Species Act of 1973 (16 U.S.C. 1539) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) PERMITS.—(1) The Secretary may permit, under such terms and conditions as he shall prescribe—

"(A) any act otherwise prohibited by section 9 for scientific purposes or to enhance the propagation or survival of the affected species, including, but not limited to, acts necessary for the establishment and maintenance of experimental populations pursuant to subsection (j); or

"(B) any taking otherwise prohibited by section 9(a)(1)(B) if such taking is incidental to, and not the purpose of, the carrying out of an otherwise lawful activity.

"(2)(A) No permit may be issued by the Secretary authorizing any taking referred to in paragraph (1)(B) unless the applicant therefor submits to the Secretary a plan that specifies—

"(i) the number of the species which will likely be taken;

"(ii) what steps the applicant will take to minimize such taking; and

"(iii) what alternative actions to such taking the applicant considered and the reasons why such alternatives are not being utilized.

"(B) If the Secretary finds, after opportunity for public comment, with respect to a permit application that—

"(i) the taking will be incidental;

"(ii) the applicant will, to the maximum extent practicable, minimize the taking; and

"(iii) the level of such taking is not likely to jeopardize the continued existence of the species;

the Secretary shall issue the permit. The permit shall contain such reporting requirements as the Secretary deems necessary for determining whether the permittee complies with the terms and conditions of the permit.

"(C) The Secretary shall revoke a permit issued under this paragraph if he finds, after opportunity for public comment, that the permittee is not complying with the terms and conditions of the permit."

(2) Subsection (f) is amended—

(A) by amending paragraph (1)(B) by inserting "substantial" immediately before "etching" and before "carving", and by adding at the end thereof the following new sentence: "For purpose of this subsection, polishing or the adding of minor superficial markings does not constitute substantial etching, engraving, or carving."; and

(B) by adding at the end thereof the following new paragraph:

"(9)(A) The Secretary shall carry out a comprehensive review of the effectiveness of the regulations prescribed pursuant to paragraph (5) of this subsection—

"(i) in insuring that pre-Act finished scrimshaw products, or the raw materials for such products, have been adequately accounted for and not disposed of contrary to the provisions of this Act; and

"(ii) in preventing the commingling of unlawfully imported or acquired marine mammal products with such exempted products either by persons to whom certificates of exemption have been issued under paragraph (4) of this subsection or by subsequent purchasers from such persons.

"(B) In conducting the review required under subparagraph (A), the Secretary shall consider, but not be limited to—

"(i) the adequacy of the reporting and records required of exemption holders;

"(ii) the extent to which such reports and records are subject to verification;

"(iii) methods for identifying individual pieces of scrimshaw products and raw materials and for preventing commingling of exempted materials from those not subject to such exemption; and

"(iv) the retention of unworked materials in controlled-access storage.

The Secretary shall submit a report of such review to the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on the Environment and Public Works of the Senate and make it available to the general public. Based on such review, the Secretary shall, on or before July 1, 1983, propose and adopt such revisions to such regulations as he deems necessary and appropriate to carry out this paragraph. Upon publication of such revised regulations, the Secretary may renew for a further period of not to exceed 3 years any certificate of exemption previously renewed under paragraph (8) of this

subsection, subject to such new terms and conditions as are necessary and appropriate under the revised regulations; except that any certificate of exemption that would, but for this clause, expire on or after the date of enactment of this paragraph and before the date of the adoption of such regulations may be extended until such time after the date of adoption as may be necessary for purposes of applying such regulations to the certificate. Notwithstanding the foregoing, however, no person may, after January 31, 1984, sell or offer for sale in interstate or foreign commerce any pre-Act finished scrimshaw product unless such person has been issued a valid certificate of exemption by the Secretary under this subsection and unless such product or the raw material for such product was held by such person on the date of the enactment of this paragraph."

(3)(A) Subsection (h)(1) is amended—

(i) by striking out "(other than scrimshaw)"; and

(ii) by amending subparagraph (A) to read as follows:

"(A) is not less than 100 years of age;"

(B) The amendment made by subparagraph (A) shall take effect January 1, 1981.

(4) At the end thereof insert the following new subsection:

"(j) EXPERIMENTAL POPULATIONS.—(1) For purposes of this subsection, the term 'experimental population' means any population authorized by the Secretary for release under paragraph (2), but only when, and at such times as, the population is wholly separate geographically from nonexperimental populations of the same species.

"(2) The Secretary may authorize the release (and the related transportation) of any population (including eggs, propagules, or individuals) of an endangered species or a threatened species outside the current range of such species if the Secretary determines that such release will further the conservation of such species.

"(3) For purposes of this Act—

"(A) if an experimental population is of an endangered species or threatened species that the Secretary has determined, on the best available biological evidence, to be in decline and in imminent danger of extinction, such experimental population shall also be treated as a threatened species listed under section 4; or

"(B) if an experimental population is of an endangered species or threatened species not described in subparagraph (A), the experimental population shall (except for section 7) be treated as a threatened species listed under section 4; but for purposes of applying section 7, the population shall, except for such time as it occurs in an area within the national wildlife refuge system or the national park system, be treated as a species proposed to be listed under section 4 (but the provisions relating to critical habitat shall not apply).

"(4) The Secretary, with respect to any population of an endangered species or threatened species that the Secretary authorized, before the date of the enactment of this subsection, for release in a geographical area separate from other populations of such species, shall determine by regulation whether such population is an experimental population for the purposes of this subsection."

# SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

Section 15 of the Endangered Species Act of 1973 (16 U.S.C. 1542) is amended to read as follows:

## "AUTHORIZATION OF APPROPRIATIONS

"SEC. 15. Except as authorized in sections 6, 7, and 8 of this Act, there are authorized to be appropriated the following sums:

"(1) To enable the Department of the Interior to carry out such functions and responsibilities as it may have been given under this Act:

"(A) Not to exceed \$27,000,000 for each of fiscal years 1983, 1984, and 1985.

"(2) To enable the Department of Commerce to carry out such functions and responsibilities as it may have been given under this Act:

"(A) Not to exceed \$3,500,000 for each of fiscal years 1983, 1984, and 1985.

"(3) To enable the Department of Agriculture to carry out its functions and responsibilities with respect to the enforcement of this Act and the Convention which pertain to the importation or exportation of plants:

"(A) Not to exceed \$1,850,000 for each of fiscal years 1983, 1984, and 1985."

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from North Carolina (Mr. JONES) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 6133 contains a 3-year reauthorization of the Endangered Species Act of 1973 at the existing level of funding, which is \$38.9 million per year. It also amends the act in various ways to facilitate certain procedures under the act and to, generally, make it a more effective and efficient tool for the conservation of endangered and threatened species of fish and wildlife and plants.

This law is widely recognized as one of the most comprehensive and effective wildlife conservation measures in the world. It is designed to conserve species which are currently endangered or threatened with extinction and, through a variety of methods, to restore such species to a point where protection is no longer necessary.

Despite an inflated reputation for controversy, this act has worked very well in the past and, with the amendments we are proposing today, we expect it will work even better in the future. The members and staff of my committee have worked long and hard to fashion a package of amendments which is constructive and have thereby defused what just a few months ago shaped up as a major legislative battle between conservation and development. The chairman and the ranking minority member of our Subcommittee on Fisheries and Wildlife Conservation and the Environment and

their staffs should be commended for their accomplishment in this respect.

Extensive hearings were held before the bill was drafted and the views of all interested parties were solicited in a long series of meetings. The result is a consensus document which does not represent the ideal of any one group. It is, however, accepted by almost all concerned as an improvement over the existing law which will maintain the integrity of the act at the same time that it resolves real problems which have arisen since the act was last reauthorized.

H.R. 6133 accomplishes these ends by, first, speeding up the process by which species are added to or subtracted from the endangered or threatened species lists; second, facilitating the consultation and exemption processes which are designed to resolve conflicts between species protection and development; third, exempting certain incidental takings of species from the act; and fourth, clarifying the handling of experimental populations of endangered species.

Mr. Speaker, H.R. 6133 will preserve a landmark conservation law but it will also make the job of those who must comply with this law a little less onerous. H.R. 6133 was favorably reported by the Merchant Marine and Fisheries Committee by a unanimous voice vote with strong bipartisan support. I commend this bill to my colleagues and urge their adoption of it.

Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. BREAU).

Mr. BREAU. Mr. Speaker, the legislation that is before the House for consideration at this time is the result of a negotiating process that has involved virtually every interest group concerned with the Endangered Species Act. It has been endorsed by all of the major environmental groups, including such groups as the Audubon Society, the National Wildlife Federation and Friends of the Earth. We also have the support of the State fish and wildlife agencies, the Wildlife Management Institute, and the Wildlife Legislative Fund of America. Finally, the legislation has been endorsed by the Western Regional Council, and Northeast Utilities. Many of the other industry groups that traditionally have problems with the act agree that H.R. 6133 addresses the main concerns they have with the legislation and are not opposing it.

The reason for this remarkable consensus is that almost all of the people who have become involved with the issue of endangered species agree on two major facts. First, that the loss of species is a serious problem that could have catastrophic effects on the human environment, and second, that the Endangered Species Act, while basically sound, is simply not functioning properly in some respects.

These two facts became apparent during the detailed hearings we held on the act earlier this year. A panel of scientists informed us that the rate of species extinction is increasing dramatically and that we are losing some of the basic "cogs and wheels" of the biological mechanism that sustains life on Earth. Not only are some of the magnificent symbols of wildlife in America endangered—the grizzly bear and the bald eagle—we are also losing species like the Antioch Dunes evening primrose, one of a small group of primroses that has been demonstrated to harbor chemical elements that help prevent heart disease. The loss of species in the age of genetic engineering has been compared to burning books before we read them—forgoing priceless genetic resources that may provide cures for diseases, protection for plants from insects, and many other practical benefits to society.

During the same hearings, however, we also learned that, although the Endangered Species Act has matured and is working fairly well, there are still a few areas in the act where it is not functioning properly. First, the listing and delisting of species as endangered and threatened has virtually ground to a halt under this administration because of the linking of the review of the biological status of a species to the economic analysis required under the act to designate critical habitat.

This has resulted in only one species being listed by this administration by the time our hearings were held and several delistings being held up for months while the administration examined the economic aspects of taking species off the list.

Our legislation would amend the act to force the administration to move through the listing process when they receive a petition that contains substantial evidence that a species should be listed or delisted. The economic analysis now required for the designation of critical habitat is continued and the Secretary is directed to designate critical habitat at the same time a species is listed to the maximum extent prudent and determinable. However, the final decision as to whether or not a species should be listed is to be done on a strictly biological basis and cannot be withdrawn or delayed past the 1 year established for consideration of proposals for listing unless there is disagreement in the scientific community regarding the proposed listing.

A second problem that became evident during the hearings was the inability of project developers to consult with the Federal agencies at an early stage in the planning process. Our legislation would authorize permit applicants to consult with the Secretary on whether their anticipated actions will be likely to jeopardize a species. This



will allow private parties to modify or alter their project plans at an earlier, more flexible point in the design phase of a project.

We also learned that project sponsors who had consulted in good faith and received opinions that their projects would not jeopardize endangered species, were faced with the uncertainty that their projects could still be shut down and their operators liable for criminal and civil penalties if the project resulted in the incidental taking of a species, even if that was contemplated in the consultation process and would not jeopardize the species. H.R. 6133 would provide for such incidental takings subject to measures designed to minimize the takings.

There was considerable concern expressed by industry groups that the current exemption process offered no realistic "light at the end of the tunnel," because of its complexity and the fact that it would take more than a year to complete. Our bill would streamline the exemption process by substituting a secretarial report for the report prepared by a review board. This simplified process could be completed in 170 days. Currently the process could consume 360 days. The membership of the Endangered Species Committee and the standards they would apply in deciding whether or not to grant an exemption have not been changed.

A further problem that came to light in the hearings was the strict protective measures that apply to listed species which discouraged the introduction of new populations into the wild. This legislation would allow for the establishment of experimental populations in a manner that would not trigger the full protective measures of the act.

Finally, we learned that a U.S. court of appeals decision involving the Convention on International Trade in Endangered Species (CITES) has resulted in State agencies being saddled with biologically meaningless requirements regarding the preparation of population estimates before nonendangered, legally taken animals could be exported. This legislation would overrule that decision. It requires the Secretary to make determinations on the basis of the best available biological information derived from "professionally accepted" wildlife management practices. This in no way diminishes the responsibility of the United States under CITES.

Our amendment contains a 3-year authorization of the act at the current levels. This should provide sufficient funding for effective implementation of the act.

Mr. Speaker, this legislation, passed out of the Merchant Marine and Fisheries Committee without a dissenting vote, was not designed to strengthen or weaken the Endangered Species

Act, but simply to make it work better. As such it should enhance the chances for survival of the more than 700 species of plants and animals that have been listed as endangered or threatened.

I would like to express my appreciation to the groups that have been working on this legislation. It is an emotional issue but all sides proved willing to listen and consider the views of others as the legislation developed. I think that, in an era where there is an air of confrontation regarding environmental issues, there is an element of hope here that should be nourished. I urge my colleagues to vote for this bill.

□ 1415

Mr. JONES of North Carolina. Mr. Speaker, I reserve the balance of my time.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when the industrial revolution swept the world in the 1830's it brought tremendous benefits to many nations. Unfortunately, we soon learned that these benefits were not achieved without a cost. Part of this cost was the modification and destruction of the habitats upon which many species of fish and wildlife depended for their survival.

The Endangered Species Act was born out of this Nation's concern that the price of progress had been too high—that a greater effort must be made to conserve our fish, wildlife, and plant resources. In considering the achievements of this act we often frame the issue in terms of the aesthetic value of these resources. While this is important, it is not the real issue. I submit to you that the real issue is the dependence of man on diverse biological gene pool. Take just one example: Medical chemistry. Nearly 40 percent of all prescriptions written in the United States contain as their chief ingredients compounds derived from plants, including lower life from plants. It was through the exploration of nature that these drugs were discovered—and such exploration has a long history of paying off. Centuries ago the Incas learned of the antimalarial properties of the cinchona tree from which quinine was later isolated. The Foxglove plant, the well-known source of the heart drug digitalis is yet another example. But many of the most important plant drugs, such as the anticancer drugs used in the treatment of Hodgkin's disease, were only recently discovered. There is no end to the potential for discovery of this type in nature, because we have only begun the chemical exploration of nature. It is the preservation of biological diversity which I believe is the key issue before us today.

The issue of biological diversity, however, is one that needs to be viewed on a broader scale. The very fact that there are endangered species in this world is symptomatic of the increasingly endangered status of nature itself. We are encroaching upon nature at an unprecedented rate—in this Nation and throughout the world. Species are disappearing because their habitats are disappearing. I recognize and agree that we cannot turn back the hands of time and dismantle the industrial machine we have created. We cannot stop all further growth just because this growth consumes the land and its resources. What we must achieve is a balance between the industrial needs of our society and the biological need to prevent the extinction of species which represent a resource of equal value. The amendments before us attempt to achieve such a balance.

We have all heard the cries that the Endangered Species Act is stopping industrial progress in this Nation. This is not true. The facts in no way support this assertion. In the last 3 fiscal years, for example, there have been 10,762 consultations conducted under the Endangered Species Act. Of those 10,762 consultations, only 192, 1.8 percent, resulted in a finding that the project in question would jeopardize the continued existence of an endangered species. Of these 192 projects, modifications were made in 185 and they went forward. Only seven projects in 3 years were stopped and I would point out that of those seven at least five, and perhaps all seven, were stopped for reasons unrelated to the Endangered Species Act.

Mr. Speaker, the facts do not support the assertion that the Endangered Species Act has blocked the development of American industry. What the act has done is inject a new consciousness into the process by which industrial growth is achieved. This consciousness is, quite simply, an increased awareness of the economic, medical, and aesthetic importance of endangered species. These species are now clearly considered when a project is planned and carried out. Projects continue to go forward but the impact on the environment is more carefully considered now. The purpose of the Endangered Species Act is conflict avoidance through this planning process and I submit to you that the statistics I have cited prove that the act has been a great success in this regard.

This is not to say, however, that the act is without weaknesses. For example, the conflict avoidance process would be strengthened if consultations were conducted as early as possible in the planning process. H.R. 6133 specifically allows this to occur. Further, it is unreasonable to expect the consultation and biological assessment process

es contained in the act to be extended indefinitely without the permit applicant or the Federal agency knowing the reasons for the extension. H.R. 6133 remedies this by establishing a specific procedure whereby consultations and biological assessments cannot be extended without a clear statement of the reasons for, and the length of, the extension.

H.R. 6133 also seeks to remedy the problem faced by many businessmen who receive a biological opinion that their project will not jeopardize the continued existence of a species, and yet it is known throughout the consultation process that the project will result in the taking of a certain number of the species. These businessmen, even though they have received a favorable report on their project and are allowed to proceed, are confronted with possible prosecution under section 9 of the act which says that the taking of a single endangered species violates the act. H.R. 6133 addresses this issue by providing a special procedure which will result in a section 9 exemption for projects which have received a favorable biological opinion.

Other businessmen confront a different problem. Their projects occur on private lands and they are, therefore, unable to enter into the consultation and exemption process. They are, however, still governed by the section 9 prohibitions of the act. For these businessmen, H.R. 6133 creates a special permit procedure whereby they may be given a permit to take endangered species if the taking is incidental to, and not the purpose of, the project in question and if the taking is not likely to jeopardize the continued existence of the species.

The amendments we are considering also make it clear that there is a difference between economic considerations under the act and biological considerations. Whether a species has declined sufficiently in numbers to justify its listing under the Endangered Species Act is a biological, not an economic, question. To blend the two is to improperly confuse biology with economics. What you do once the species is listed is a biological and an economic question—a question which requires a balancing of the biological needs of the resource with developmental needs. Unfortunately, in the past few years biology and economics have been confused and intertwined in the listing process. H.R. 6133 remedies this by making the listing process solely biological and leaving to the exemption process the balancing of economics and biology.

Finally, H.R. 6133 addresses the so-called bobcat issue. Specifically, H.R. 6133 provides relief from the U.S. Court of Appeals decision which mandated the onerous requirement of reliable population estimates before no-detriment findings could be made

under CITES and before bobcat exports could be allowed. In its stead, H.R. 6133 permits no-detriment findings to be made without reliable population estimates. However, if population estimates are available, they must be used as one part of the data considered in making a no-detriment determination. Thus, H.R. 6133 clearly relieves the unnecessarily restrictive requirement of the Court of Appeals decision, while recognizing the desirability of using population estimates when they are available.

Mr. Speaker, H.R. 6133 represents a step forward for the conservation community and for the business community. The legislation provides for a clear and reasonable balance in the Endangered Species Act and I strongly urge its adoption.

● Mr. OBERSTAR. Mr. Speaker, I rise in support of H.R. 6133, a bill to reauthorize and amend the Endangered Species Act of 1973. This bill reaffirms the critical importance of the goals of the original legislation and provides means for achieving those goals more effectively and expeditiously.

The Endangered Species Act is one of this Nation's most important and innovative environmental laws. It has also been one of the most successful. Since its passage hundreds if not thousands of Federal and private actions have been modified to protect endangered species. Many industries, large and small, have voluntarily adopted programs to avoid harm to such species. In addition, the act has enabled the United States to begin a successful effort to reduce illegal trade in wildlife.

A strong Endangered Species Act is essential to preserve both the variety and quality of life on Earth. Biologists estimate that species are vanishing at the rate of almost one a day. Once a species becomes extinct, it is lost forever. Any species is a potential new source of food, energy, chemicals, or raw materials for mankind. Equally important, all species are interdependent and the destruction of any one species diminishes the planet's overall ecological balance. The sacredness of life itself should deepen our concern and respect for the uniqueness of all life forms.

I would also like to take this opportunity to compliment the gentleman from Louisiana (Mr. BREAU) whose leadership in this complex and difficult area of legislation has enabled the House to consider this potentially controversial legislation under suspension procedures. I urge approval of the bill.

● Mr. EVANS of Delaware. Mr. Speaker, during the past 6 months, the Merchant Marine and Fisheries Committee has carefully reviewed the effectiveness of the Endangered Species Act. Our review has clearly demon-

strated that the act has been successful in balancing environmental protection and economic needs.

Congress should not change the substance of the act lightly. During hearings, some of the Nation's leading scientists testified about the value of many life forms to man. They emphasized that the magnitude and significance of the extinction problem is little appreciated and that the implications for human welfare are far more drastic than we have previously thought.

It is estimated that 5 to 10 million plant and animal species inhabit the Earth. Of these, approximately 1 million will become extinct during the next 30 years, according to testimony presented to the Subcommittee on Fisheries and Wildlife by Dr. Peter H. Raven, director of the Missouri Botanical Garden.

Our understanding of the interrelationships of various life forms on our planet is limited. We still do not know the implications of losing a million species in the next 30 years. However, it is important to understand that the contribution of wild species to the welfare of mankind in agriculture, medicine, industry, and science have been of incalculable value. These contributions will continue only if we protect our storehouse of biological diversity. Just as one example, Dr. Raven described how research on several species of evening primrose has turned up a fatty substance that may help us to avoid coronary heart disease and to cure such diseases as eczema and arthritis that afflict millions and millions of people. Members of this same plant family are protected under our Endangered Species Act and no one knows what secrets of medical science they hold.

The tragedy of losing plant and animal species to the void of extinction is that we are losing them at a pace far faster than we can evaluate their utility to man. The Honorable James L. Buckley, Under Secretary of State, recently stated:

The maintenance of biological diversity is fundamental not only to maintaining life on earth over the long term, but also to achieving our economic development and quality of life goals over the nearer term . . . Permitting high rates of extinction . . . is tantamount to bookburning; but it is even worse, in that it involves books yet to be deciphered and read.

Mr. Speaker, our wild plants and animals are not only uplifting to the human spirit, but they are absolutely essential—as a practical matter—to our continued healthy existence. This is a bill that vigorously protects our natural heritage at the same time as it provides for a timely balancing of environmental and economic interests on those rare occasions when the two are irreconcilably in conflict. Both ele-



ments are necessary if we are to have a strong, workable act.

Mr. Speaker, as my colleagues consider the Endangered Species Act, I hope that they will bear in mind the inestimable value of our wild natural heritage.●

● Mr. EMERY. Mr. Speaker, I rise in support of H.R. 6133 and urge my colleagues to approve this important legislation, which was unanimously reported out of the Merchant Marine and Fisheries Committee.

The chairman of the Fisheries and Wildlife Subcommittee, Mr. BREAUX, and the ranking minority member, Mr. FORSYTHE, are to be congratulated for the hard work they and their staff have done to bring to the floor this excellent piece of legislation, which preserves the integrity of the Endangered Species Act and reinforces congressional commitment to the protection of valuable flora and fauna in all parts of the world.

The Endangered Species Act is extremely important to the preservation of a balanced ecological system, and H.R. 6133 maintains the real intent and principles of the act. The law is designed to preserve ecological communities and preserve diversity, and despite the potential for divisive controversy which this topic has, the efforts of all involved have resulted in a bill which does not abrogate the cause of protection of endangered species.

Obviously, extinction which occurs as part of the historical process of natural selection is a fact with which we should not tamper, but the question before us today concerns not this natural extinction but rather the impact of technological developments, urban growth, and suburban expansion, on the habitats of certain plant and animal species. We must take responsibility for our actions when they impact on the destruction or preservation of a species.

The enactment of the ESA in 1973 was a major step forward in recognizing that responsibility, and in amending the law today, I believe we are continuing to act to protect and preserve what are valuable contributions to a balanced ecology and scientific research efforts.

Again, I urge my colleagues to support H.R. 6133 and insure the approval of these amendments to the Endangered Species Act.●

● Mr. LENT. Mr. Speaker, I rise in support of the Endangered Species Act Amendments, H.R. 6133, and urge my colleagues to vote for its passage.

The Endangered Species Act is one of the world's strongest laws to prevent species extinction. Many of its supporters believed the act itself had been targeted for extinction by those who viewed it as an unwieldy and unworkable approach to protecting our natural heritage.

However, our committee developed a compromise bill which won the support of scientists, conservation groups, wildlife managers, and industry. Along with extending the act's protection for 3 years, the bill makes a number of important improvements in the law. They include streamlining the listing process for threatened and endangered species, and requiring that listing decisions be made solely on a scientific, biological basis. In addition, the bill gives highest priority in development of recovery plans to species most threatened by human activities in an attempt to focus the law's protections where need is greatest.

My colleagues on the Merchant Marine and Fisheries Committee are to be commended for reporting this measure and I urge its passage and prompt enactment.●

● Mr. BAILEY of Pennsylvania. Mr. Speaker, I would like to express my support for H.R. 6133, which would amend and reauthorize the 1973 Endangered Species Act. I would also like to commend Congressmen JONES and BREAUX for their leadership and the other members of the Merchant Marine and Fisheries Committee for reporting this bill to the floor.

As my colleagues who have studied this bill are aware, in the past 300 years, approximately 150 species of American birds and animals have become extinct. Since the Endangered Species Act became law in 1973, however, only one species has become extinct. The act has successfully protected 756 species, 288 of which are on the U.S. Endangered Species List, and it is a model for international efforts to protect imperiled animals and plants.

Under the Endangered Species Act, Federal agencies and private firms requiring Federal funds or permits must insure that their activities do not jeopardize the existence of an endangered or threatened species or adversely affect its critical habitat. The taking, harming, or harassing of such species are also prohibited. Before any potentially harmful developments can take place, the agencies involved must consult with the U.S. Fish and Wildlife Service to determine how listed species may be affected. Consultations rarely result in the discontinuance of projects; between 1979 and 1981, the Service issued jeopardy decisions for only about 2 percent of its consultations, and in the great majority of these cases, a reasonable alternative could be found. Consultations have proven to be effective methods for insuring that endangered species are protected while not causing undue delay in the projects considered.

This protection of wildlife is a concern which I share with the members of the Merchant Marine and Fisheries Committee, who have done a fine job in their consideration of this bill. I intend to add my support to H.R. 6133,

and I urge all my colleagues to join me in voting for this important legislation.●

● Mrs. SCHNEIDER. Mr. Speaker, I rise in strong support of H.R. 6133, a bill to reauthorize and amend the Endangered Species Act.

Species extinctions are now occurring at a rate of one species every day. This is a faster rate than at any other time on our planet and will increase unless we take strong action to halt species extinction. This massive reduction in biological diversity strains the health of our ecosystems and decreases our chances of discovering natural compounds of importance to medicine, industry, and agriculture.

The Endangered Species Act has proven to be one of this Nation's most important, innovative, and successful environmental laws. Since its passage in 1973, hundreds, if not thousands, of Federal and private actions have been modified to protect endangered species. Many businesses, large and small, have voluntarily adopted programs to avoid harm to such species. Most States have passed their own Endangered Species Acts. And that act has enabled the United States to begin a successful effort to reduce illegal trade in wildlife.

The provisions of H.R. 6133 will insure that in the future, decisions respecting the listing of species will reflect credible, scientific judgments and that species that are in fact threatened or endangered will be promptly so listed. The act provides ample opportunity subsequent to the listing of a species to balance the benefits of protecting a listed species against the cost of doing so. Indeed, that is precisely the purpose of the exemption process which Congress added in 1978 and which this bill further streamlines. This careful balancing must be done at the exemption state, but it is inappropriate and unnecessary at the time of listing, when the only relevant inquiry is the biological status of the species. Under H.R. 6133, because biological considerations are to be the sole determinants of listing decisions, Executive Order 12291 and other authorities requiring consideration of nonbiological factors in agency rule-making will have no application to the listing process.

The amendments that H.R. 6133 makes to section 5 of the act will also enable the Secretary of the Interior to move quickly to consider the status of many species that had previously been proposed for listing but were withdrawn because of the Secretary's inability to comply with the onerous listing procedures that we now abandon. These species may now be considered again for listing based on the best available biological information without regard to when that information was developed. The Secretary deter-

mined only a year and a half ago that "sufficient information [is] on hand to support the biological appropriateness" of listing a large number of these previously proposed species. H.R. 6133 will enable the Secretary promptly to repropose and list these species.

Section 4—Convention Implementation—of H.R. 6133 constructively resolves the controversy over the appeals court decision pertaining to bobcat pelt exports under the Convention on International Trade in Endangered Species (CITES). The compromise language amending section 8A of the Endangered Species Act strongly upholds U.S. obligations to regulate exports of wildlife species protected by CITES (article IV). Moreover, the compromise language selectively overturns that portion of the court's ruling that specifically requires "reliable population estimates" for valid decisions concerning permissible exports, and stipulates that scientific authority advice on exports shall be based upon "the best available information derived from professionally accepted wildlife management practices." The use of available population estimates is not excluded, but incorporated by a broader and rigorous information standard in H.R. 6133.

H.R. 6133 also contains a number of provisions that will generally improve the administration of the act by reducing delays or eliminating potentially contradictory provisions. These amendments include: first, a reduction of over 50 percent in the time during which an exemption application may be considered; second, a time deadline on consultations under section 7 of the act that can be extended only with the approval of a permit or license applicant; and third, a provision which permits the "taking" of a species which has been the subject of a no-jeopardy section 7 finding if reasonable measures are taken to minimize the take.

Mr. Speaker, H.R. 6133 represents an excellent package of amendments to the Endangered Species Act. It makes an already good law even more practical and effective. It reaffirms U.S. leadership in the protection of threatened and endangered species. I strongly support H.R. 6133 and urge my colleagues to vote for it. ●

● Mr. BOWEN. Mr. Speaker, I rise in strong support of H.R. 6133, the reauthorization of the Endangered Species Act. I particularly wish to commend the subcommittee chairman, Mr. BREAUX, and the ranking minority member of the subcommittee, Mr. FORSYTHE, for their diligent and careful work in bringing before this House a bill that continues the commitment our Nation made in 1973 to protecting endangered animal and plant species.

Since its enactment in 1973, the Endangered Species Act has been the keystone of our Nation's effort to pro-

tect animal and plant species that are currently in danger of extinction or that may become so in the foreseeable future. The continued existence today of many species can be attributed to the act's protection. H.R. 6133 continues the basic policies of the act.

The legislation which we consider today is a delicate compromise between the legitimate concerns of the environmental community and the fears of others that the act could be used to block projects essential for the economic development and growth of our Nation. I applaud the interested parties for the cooperative spirit that they have shown in negotiating the final version of the legislation. As one who has occasionally been critical of the singleminded pursuit of environmental considerations to the exclusion of those for economic growth, I commend the environmental community, particularly the Endangered Species Act Reauthorization Coordinating Committee, for the attitude of reasonableness and practicality they have shown.

H.R. 6133 presents a balanced compromise. To be sure, neither side has secured all that it originally sought, but both sides have won significant parts of their original requests. The result is a bill that accepts the major thrust of the 1978 and 1979 amendments while incorporating some changes which reflect our practical experience with the act after enactment of those amendments.

Mr. speaker, we all recognize the need to make minor modifications of the act in order to make it work more smoothly and effectively, but I think our experience with the act demonstrates that it has generally been quite successful in meeting its goals. To the extent that problems have emerged, they seem to come more from the implementation of the act by the Department of the Interior than from defects in the legislation itself.

Like many of my colleagues, I have been distressed by the lack of action by the current Interior Department in listing species. When we made changes in section 4 during the 1978 and 1979 amendments, we did not intend that the new procedures be used as a device for unnecessarily delaying decisions on listing. H.R. 6133 removes the problem of unnecessary delay by requiring the Secretary of Interior to complete action on a listing proposal within 1 year of the publication of the proposal. Furthermore, the Secretary must act on a petition for listing within 180 days. These provisions should solve the listing problems we have been encountering recently.

I remain convinced that the designation of critical habitat, along with its accompanying economic analysis, is a necessary part of the balancing of interests required by the act. I am thus pleased that H.R. 6133 retains the con-

cept of critical habitat and requires the designation of critical habitat within a limited period of time following listing in those instances where habitat designation cannot occur concurrent with listing. Designation of critical habitat furthers both the concerns of development groups (who thus are better able to evaluate the risk of a proposed project) and environmentalists (who thus know better where to focus their efforts at protection and recovery).

I am also glad that H.R. 6133 retains the basic elements of the section 7 exemption process, and I endorse the provisions for early consultation as well as for streamlining the actual time required by the exemption process. I continue to feel, as I did when we passed the amendments in 1978 and 1979, that there must be an exemption from the act for those projects which are vital to the economic growth and prosperity of the country but which unfortunately conflict with the prohibitions of the act. H.R. 6133 recognizes the need for such an exemption and facilitates the working of the section 7 process, cutting by roughly half the amount of time during which an exemption application may be considered.

H.R. 6133 also strengthens the role of professional State wildlife management officials and it likewise strengthens the position of the States in operating their wildlife management programs. These changes reflect the view that most States are trying to run professional management programs and that State officials are sometimes more familiar with the particular wildlife problems in their States than are Federal officials.

Mr. Speaker, as I indicated earlier, the bill before us today is a carefully crafted compromise, arrived at after extensive negotiation with interested parties. Having worked long hours with my colleagues on the Subcommittee on Fisheries and Wildlife Conservation and the Environment in drafting the 1978 and 1979 amendments, I am particularly pleased that this bill was much easier to negotiate than those earlier ones were. I feel that H.R. 6133 offers a reasonable approach to reauthorization of this important act, and I heartily endorse it. ●

● Mr. BONKER. Mr. Speaker, I wish to support passage of H.R. 6133, the Endangered Species Reauthorization Act.

As chairman of the House Foreign Affairs Subcommittee that oversees the U.S. voluntary contribution to the Secretariat of the Convention on International Trade in Endangered Species (CITES), I am particularly interested in those sections of the bill relating to the implementation of CITES. The House Foreign Affairs Committee has long been committed



to improved implementation of, and broader adherence to CITES, whose negotiation the United States initiated nearly a decade ago. Seventy-seven countries are now parties to CITES. The Convention represents the most comprehensive multilateral effort to protect species threatened by overexploitation through international trade. The 1973 Endangered Species Act promotes U.S. implementation of the international agreement, and stands as an example to other countries seeking to protect and to maintain the integrity of their species diversity.

Mr. Speaker, I wish to commend my distinguished colleague, Mr. BREAUX, chairman of the Merchant Marine Subcommittee on Fisheries and Wildlife Conservation and the Environment, for his outstanding leadership during consideration of this legislation. I urge my colleagues to support H.R. 6133. ●

● Mr. DYSON. Mr. Speaker, the Endangered Species Act, as presently conceived, is, in my opinion, a mechanism whereby we can attempt to preserve the diversity of nature and the as yet unknown riches that diversity has to offer us, while at the same time allow us to get on about our business of living and working in a complex modern society.

Critical to the problem of maintaining species diversity is the time previously taken in the listing or determination of whether a species is endangered or threatened. It is believed that no single day goes by without another species becoming extinct somewhere in the world. The rate of extinction is increasing, expected to reach 10,000 per year by the end of this decade. By the year 2000, fully 20 percent of the species now on Earth will have disappeared. The provisions in this amended act specifying that a decision be made within 1 year of a proposed listing appears to me to be a positive means of retarding the rate of extinction.

Similarly, the section 7 exemption process which has proven in the past to be an effective means of reconciliation between an endangered species and economic development has been streamlined and shortened from a maximum of 360 days to 170 days. This acceleration will go far toward relieving the frustrations and expenses formerly experienced by permit applicants by allowing them to enter earlier into the planning phase of a project.

The Endangered Species Act of 1973 focused the attention of the entire world on the problem of its diminishing living resources. The United States has provided leadership in this important area and the act has served as a model worthy of emulation. The Endangered Species Act, as amended, will continue to serve that role by demonstrating a clear commitment by this Nation to maintaining the diversity of

life while still permitting human and industrial development.

The bald eagle and the peregrine falcon are all part of the environment of Chesapeake Bay in Maryland, which I represent. Even the small Delmarva fox squirrel is an integral part of a complex environmental system, impossible to evaluate economically, but part of the richness of the region. The Endangered Species Act, as amended, will insure their continuity. ●

Mr. FORSYTHE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 6133, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend the Endangered Species Act of 1973."

A motion to reconsider was laid on the table.

#### PERMISSION FOR CERTAIN MEMBERS OF COMMITTEE ON THE BUDGET TO SUBMIT AMENDMENT IN THE NATURE OF A SUBSTITUTE TO HOUSE CONCURRENT RESOLUTION 352, FIRST CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1983

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that Representative JONES of Oklahoma and Representative LATTI of Ohio each have until 6 p.m. today to submit an amendment in the nature of a substitute to the concurrent resolution (H. Con. Res. 352) revising the congressional budget for fiscal year 1982 and setting forth the congressional budget for fiscal year 1983, for printing in today's CONGRESSIONAL RECORD.

Copies of these amendments should also be submitted to the Committee on Rules by 6 p.m.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

#### VALUE OF THE WORK ETHIC

(Mr. DAN DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, this is the time of year when people of our

generation appear before people of a younger generation—those who are graduating from high school or from college. We either advise them that the world is their oyster just waiting to be devoured or alternatively, the world is a jungle just waiting to devour them. Such advice is valid in both instances. Unfortunately what we generally forget to do is tell these young people how to deal with the world in such a manner that the outcome will more closely resemble the former than the latter. On May 29, Mr. R. E. Mercer, president and chief operating officer of the Goodyear Tire & Rubber Co., addressed the graduating class of Averett College in Danville, Va., and did just that.

Mr. Mercer brought home to Averett's 1982 graduate some of the cold realities as to why the world they are entering is something less than a red airport upon which they can stroll into a trouble-free futures and it would do us well to ponder these things ourselves. Lowering interest rates is not the be-all-and-end-all of economic recovery. We must rediscover as well the importance to ourselves and to our national well-being the value of the work ethic, the importance of quality in performance and product, if we are to compete in world markets. The significance of integrity in our public and private lives is an imperative if we are to meet the challenge of world leadership.

Mr. Mercer was an excellent choice of speaker but this is not surprising for he was chosen by Dr. Howard Lee, president of Averett, a gentleman whose life and professional career has revealed those fine qualities Mr. Mercer extolled.

I commend Mr. Mercer's address to your reading and include it in the RECORD as follows:

Good morning, Dr. Lee's introduction reminds me of another time I was to address a group of college students. The professor who was to introduce me asked beforehand what I would like him to say. With customary modesty I replied, "Please, just keep it short."

He took me at my word, and put me on the stage in one sentence: I understand that "the less said about Mr. Mercer, the better."

Dr. Lee was considerably more generous. But I wish he had mentioned my qualifications as one with something of value to say to this graduating class of 1982.

He could have described me as something of an authority on education. After all, I have five children, the first one of whom I sent off to college in 1967. I hope to see the fifth one get his degree in 1990—that's a 23-year span of significant contribution to higher education, the Coca-Cola Co., and Levi Strauss.

That's not all: I offer my children counseling whenever I see the need for it—some of which they occasionally accept—with forbearance, if not gratitude.

And in return, they give me a glimpse of the world as seen without bifocals.

Their views of the world differ considerably from those I had when I flipped the tassel on my own mortarboard 36 years ago and prepared to clean up the mess my elders had made of the world.

But I suspect that my class and your class have that ideal in common. In fact, you may well be thinking that senior businessmen like me have left you a pretty sad economy.

There's a story about baseball hall-of-famer Frankie Frisch who closed out his career as a player-manager.

In one game, a rookie second baseman was having a really bad day, dropping ground balls, missing double plays and making bad throws. He couldn't do anything right.

Finally, Frisch had all he could take. He ran onto the field, grabbed the rookie's glove, and took over second himself.

Frisch promptly made three straight errors. He stomped back to the dugout and yelled at the rookie: "You've got second base so messed up nobody can play it!"

Whatever the reason, whoever deserves the credit or blame, the world in 1982 is vastly different from a business standpoint than the one confronting the class of 1946.

In my opinion, you are entering a world that is thrashing in the throes of a second industrial revolution.

Many of the same forces that spread England's industrial revolution to western Europe and the United States in the 19th century are at work transforming the face of industry as we approach the 21st century.

In the broad sense, the forces behind this revolution are identical to those that drove the first: Technological and managerial innovations.

Where the physical wares of the first revolution were the flying shuttle, the steam engine, the sewing machine, and the spinning Jenny, today, it's the semiconductor, the memory chip, the robot, and yes, even an upcoming Japanese version of pac man.

Rather than the autocratic, paternalistic and often adversarial managerial styles born of the first revolution, we are moving toward participative management where manager and employee work together to set objectives and solve problems.

The geography of the first industrial revolution was essentially of the western world. The second is different. Think about it: The watch you'll be looking at if I talk too long probably was made overseas; so was the camera your parents will be using to snap your picture in your cap and gown; like the stereo that helped you concentrate on your studies as you listened to the top 40; and, the TV that helped you keep up with General Hospital.

Few of these are coming from Europe.

While the needs and the markets of the United States and Europe propelled the first revolution, the second is being powered by countries in Asia, Africa and South America in their struggle for the affluence we've enjoyed for so long.

Does this mean that because more want to share in the pie, we must accept a smaller portion, a less tasty slice? No, on both counts.

It does mean we can no longer rest on our laurels. That we, too must face new realities and new challenges.

We must shake ourselves out of our complacency and into competitive shape again with the same burning desire to invent, to innovate, to excel, to win as did our forebears in the years that followed the invention of the telephone and telegraph.

At one time, U.S. industry could claim to be consistently first among the world's ma-

chine tool builders, a producer of 47 percent of the world's raw steel, and the dominant producer of automobiles accounting for three-fourths of the world total. That was in 1950.

By 1970, Americans were making only 20 percent of the world's raw steel and a third of the world's autos. And our machine tool builders were down to third place.

Today's statistics unfortunately show the U.S. has slipped even further. You no longer can buy an American-made radio or black-and-white TV set; 40 percent of our color TVs are imported; we account now for only 18 percent of the world's steel production, and, close to my heart, only 25 percent of world tire production, a six-point slip since 1972.

Here in Danville—headquarters of world-known Dan River Mills—the textile and clothing industries also have given up some of their market to foreign firms. One of every seven articles of clothing we buy is now imported.

What happened? It would be easy to point to the Arab oil embargo of 1973 and say that was the start of our decline. Actually, the embargo was mostly an alarm bell that alerted us to a situation that had been developing for some time.

Namely, that the U.S. no longer had many of the competitive advantages we had long taken for granted.

Not only in oil, but in many raw materials. For example at present the U.S. has no domestic production of chrome, manganese or platinum. The major sources of these are southern Africa and the Soviet Union.

Nor do we produce cobalt. That comes from two newly independent countries in central Africa—Zaire and Zambia.

Of the more than 60 commodities listed as essential to our national security, two-thirds are metals and minerals. We are self-sufficient in only two minerals—molybdenum and magnesium.

When the alarm went off, we opened our eyes to the fact that we no longer set the rules for international commerce, nor had unlimited access to and use of the world's resources. We are indeed dependent on other countries of the world.

That realization made more acute our awareness that our plants and equipment were not kept as modern as they might have been \* \* \* that we had been crippling ourselves with regulation and punitive taxation—creating lethargy and draining the supply of capital needed for new equipment, productivity, and catch-up technology.

Our first reaction was to take a defeatist attitude, throw up our hands and begin talking about a no-growth economy.

We started to turn that attitude around, though, in 1980 when we expressed our national resolve by electing an administration committed to pumping new life into our national competitive stature.

Now that we have expressed that resolve, we are trying to return to sound economic policies that encourage investment and growth, and we are finding that the road back is a lot longer than the downhill course we had been traveling.

The media reports on our uphill struggle daily—high interest rates, unemployment, sagging industry, lagging productivity. So where are we now on that road to recovery?

Perhaps a fitting odometer for us is our own automobile industry, upon which our economy has depended upon so heavily as the provider of one in every six jobs in the country over the years.

We know that U.S. cars today match—and in some cases beat—the fuel efficiency of

imports. We know that the fit and finish of American cars has made tremendous strides, and that many of the designs and ride qualities truly are more pleasing than those coming from overseas.

Despite that, the portion of the U.S. new car market claimed by imports continues to rise and is now at 30 percent. Detroit expects to build less than 6 million cars in 1982, the lowest level in twenty years.

Interest rates and sticker shock, not to mention the current state of the economy, certainly provide part of the explanation. But I'm convinced that our shaken confidence is still far lower than circumstances warrant.

Perhaps the late Sam Goldwyn of Metro-Goldwyn-Mayer provided the right analysis several years ago when he was commenting on why there had been a sharp drop in movie attendance. Sam said at the time, "When people don't go to the movies, you can't stop them."

If Sam were alive today, he would probably look at Detroit and say, "When people don't buy cars, you can't stop them."

Whatever, our auto industry, our steel industry, and many others have a real challenge ahead in regaining the competitive advantages once taken for granted by virtually every business in the United States.

The rubber industry is no exception.

We multiply each imported car by four or five tires lost to foreign manufacturers. That's a rather large bite out of our production schedules.

The pinch that is hitting many U.S. pockets has slowed the replacement tire market, even though all those baldies on the older cars eventually will mean new tire sales for somebody.

And frankly, radial tires wear longer than bias tires, the big sellers in the past. But that's progress. In the long term, Good-year's leadership in radials will pay off throughout our operations, including here in Danville.

Since 1975, nineteen tire plants in the United States have closed their doors—a loss of more than 19 thousand jobs.

General Tire recently announced it will close its Akron Truck tire plant, idling 15 hundred more rubber workers, and that will be number 20.

Painful as this is for the employees and the companies concerned—it is part of a shakeout that had to be. Great tire and rubber company names in the past no longer can stand on their history. They no longer can afford to be anything less than efficient, productive, and competitive. Names like Michelin of France and Bridgestone of Japan have removed those options.

These foreign firms and others represent very tough competition, and they have some advantages like lower wage rates, tax subsidies, and particularly in the case of Bridgestone, a work force that has entirely different habits from those that we have allowed ourselves in the United States.

Until recent years, a foreign-made tire on cars coming out of Detroit was a rarity. But during the four-month long strike against the rubber industry in 1976, Michelin made real inroads into our original equipment and replacement tire markets.

Bridgestone, although not a strong force in the U.S. auto tire market right now, is giving us fits in the large earthmover tire market, and is looked on as a major challenger in all tire markets in the future.

Bridgestone recently agreed to buy Firestone's radial truck tire plant in Nashville,



which will give it its first U.S. production facility, competing with the Danville plant.

Before I sound to discouraging, I better add that Goodyear recognized about ten years ago that our ultimate competition in the U.S. and elsewhere would be Michelin and Bridgestone. We believed, and we said so at the time, that to stay in the tire business, U.S. companies would have to be willing to compete on an international basis, and that those who did not accept this would fall by the wayside.

So while others pulled in their horns in the mid seventies, rather than make heavy investments to increase their efficiency, we went ahead with plans to become the leading radial tire producer.

Goodyear's response to the early signs of a changing world industrial order can be illustrated by our efforts right here in Danville.

The sprawling radial truck tire plant here demonstrates that we have indeed accepted the revolutionary fact that America does not corner the market any more on inventions and technology.

The radial tire concept came from overseas and very honestly we had some catching up to do. A foreign radial truck tire manufacturer had invaded our American market and was making fast headway, virtually without competition.

The \$151 million that we have invested in the past 10 years at Danville is in direct response to competition from abroad, not the U.S. Today, the Danville plant ranks as one of the company's most efficient and most technologically capable plants in the world. We no longer take a back seat to anyone with our radial truck tire line. We have proven that the American spirit to compete and to win, along with the risks and guts to back it up, are still within the ranks of both management and employees.

The Danville commitment along with others we made in our worldwide operations helped us become the first rubber company in the world in 1981 to reach and exceed the \$9 billion sales level. We also had record profits. This in a year when much of the world was in recession.

In my opinion, there will be many more success stories in American industry in the years ahead.

But at the present time, much of our business and industry is still engaged in reorganizing their assets and their priorities—reshaping them, if you will, for the second industrial revolution.

To you students leaving your classrooms in the spring of 1982, this means a very competitive job market in which to make your entry.

In Goodyear we can measure how tight the job market is by how many employment offers we make to sign up one new employee. In good times, we'll make five offers to land one new college grad; this year, it's closer to two to one. We know what you've been going through.

It is likely that many of you will find yourselves competing for jobs, not only with other American graduates, but in some cases with non-Americans educated in the U.S. and abroad.

Whether you enter business, education or any other field—your challenge is to build on the fine education you have received here at Averett College to compete in the new arena of a one-world economy.

Regardless of the role you wind up playing on the world stage, it will be incumbent upon you to help make our goods, our services, our technology and our efficiency

equal to or better than those available from other nations.

And if I might assume my fatherly role for a moment, I want to offer just three gems on "making it" in the 80's.

First gem: Maintain and nourish your personal integrity. Disregard the cynics who say integrity doesn't count anymore. It does. It is a commodity that will be recognized now, as in the past.

Gem No. 2: Get along with the people you work with. You don't have to be the office patsy to do this. But about 95 percent of what you do will depend on cooperation with others. The remaining five is the maximum for sulking, ego trips, or temper tantrums.

And the third gem: Hold onto your mortar boards. Put in a hard day's work, whatever your field, it's the best competitive weapon at your disposal.

There you have the formula—integrity, getting along with others, a hard day's work.

I wouldn't be surprised if some of you are asking, "What's new about that? It's old stuff."

The same advice, or something similar, probably has been served up at more than one graduation since 1946.

But despite all the differences between your generation and mine, all the change that has taken place in the world we live in, the points remain valid.

In fact, they likely are of more value now than then, if we are to pull together in competing with other nations embracing different cultures, customs and languages.

As you begin your careers in the '80's, your personal courage, initiative, ability to communicate, sense of teamwork, your personal commitment and your dedication to your work—in whatever field you choose—will count more than ever.

To perform and compete effectively, we need leaders and followers possessing those qualities as the second industrial revolution reshapes the American relationships among industry, labor and government. We will, of necessity, put to rest the historically adversarial nature of those relationships.

Industry, labor and government—with a healthy respect and a checkmate skepticism of the other—must and will forge a new alliance in the common interest of preserving and improving our American way of life.

You can help make it happen.

Thank you.

#### ILLINOIS CLERGYMEN PROTEST BUDGET CUTS FOR SOCIAL SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. SAVAGE) is recognized for 20 minutes.

Mr. SAVAGE. Mr. Speaker, as a new Member I am slowly discovering that there is a substantial portion of our work that is rather routine, and so there comes a great joy when something dramatic and of great significance occurs. So I rise because on this day we have with us some 30 members of the clergy.

These members of the clergy from Chicago are here concerned about the material facets and the material dimensions of the spiritual crisis that our Nation now faces. I understand that they come out of a deep response

to the concerns expressed in their congregations and their communities for the elderly who are afraid that social security will be changed, that medicare will be tampered with, or that medicaid will be cut, and who are concerned that their checks with this Government to provide for its aged may one day be stamped and returned—"Insufficient funds."

I understand that they are here concerned about the families in their congregations and in their communities, the families some of whom unfortunately rely on aid to families with dependent children, and they are concerned about the cuts that could be made in the budget that we will be discussing this week.

They are here in the great Christian tradition to feed the hungry. They are concerned about the full cuts in food stamps in the last budget. And will the cuts become even deeper in fiscal year 1983?

They are concerned indeed about the least of us, the children of those who have worked hard and who qualify for college training and who just need a little help—not a handout but a handup, a loan perhaps here or a grant there. They are concerned that a cut in our present budget will be proposed to cut further in the budget that will come before us on this floor later this week.

They are concerned indeed about the small ones who have suffered cuts in school nutrition programs; they are worried that our Nation is following wrong priorities; they are worried that we may adopt a budget by which we will further increase the funds for killing and further reduce those for human needs.

And that is where, of course, the clergy should be, and that is where all Americans, regardless of race, regardless of creed, must recognize the kind of spiritual crisis that we face.

We are all in it together. If social security is cut for one, it is cut for all. Education jeopardized for one is education jeopardized for all.

There was a statement once made by a great Member of this Congress who went on to become Vice President of this land. That was Hubert Humphrey, who once said that you could judge the moral make of a nation by how it treated those at the dawn of life, how it treats those in the shadows of life, and how it treats those in the twilight of life—the young among us, the ill and needy among us, and the elderly.

I think that during this week this Nation will stand before its judgment, and the people of this Nation and the leadership of such concerned clergymen need to begin to write their Congressmen and need to begin to lobby their Congressmen and ask them

which side they are on. Which side are they on?

These ministers are going to lobby tomorrow. They are going to visit members of my State delegation, the delegation of the State of Illinois, which has not always been together, and they will ask them those pertinent questions. Where will they stand on a budget this week if it proposes to increase defense spending at the expense of domestic needs? They will ask them this week: Are they going to increase the deficit in this Nation's budget which tends to keep interest rates high and feed inflation? Are they going to vote to increase the deficit in order to build more arms to kill?

They will try to plead with them in righteousness. They will plead with them to harken to a more righteous set of priorities, and I hope and have faith that their pleas may be heard for the benefit of all.

But whether heard or not, for we live in a time when it seems that ears are often hardened, whether heard or not, the record must show that they were here this day and pleaded for a right course to be taken by this Nation.

I understand, unfortunately, that the debate on the budget may not be resumed on tomorrow because of the illness of the Rules Committee chairman, and it may not be debated until Thursday. But in a way that could be a blessing also because it will give Members longer to consider the pleas that will be made to them on tomorrow. If only more clergy from across this land would come to plead for human needs and to put the people above war and profits in this great Nation.

Mr. WASHINGTON. Mr. Speaker, will the gentleman yield?

Mr. SAVAGE. I yield to my dear friend and honored colleague, the gentleman from the First District of Illinois, Mr. HAROLD WASHINGTON.

□ 1430

Mr. WASHINGTON. I want to commend the distinguished gentleman in the well for bringing about this special order so that we might address ourselves to several very serious questions which affect not only the First and Second Congressional Districts in the State of Illinois, but congressional districts throughout the entire country, and which reverberate around the world in their implications. I want to commend the ministers and religious leaders for coming to Washington, D.C., from Chicago, because I gather they are here to bear witness against some of the things that are happening in this administration, to give stark testimony by their presence, and also to protest the drift to which this coun-

try is being led by the present administration, and, of course, followed by this very Congress.

The gentleman from Illinois, Mr. SAVAGE, has addressed himself to the inordinate budget cuts which we are suffering. He has alluded to the burgeoning defense budget, which this country cannot afford and which is vulgar in its propensities and sends out the wrong signals throughout the world.

He is concerned, obviously, and he alluded to the fact that the tax breaks that are going on are inordinately geared to fattening the coffers of the wealthy and the corporate giants and international cartels of this world. Perhaps he did not touch on one subject which, when we finally get down to it, might be more important in terms of the invidiousness and the insidiousness of all of these budget cuts. That is the massive assault upon the civil rights of people in this country.

There has been a steady trend in these encroachments over the past year and a half. Perhaps the best known is the attempt of this administration to reverse a longstanding practice of denying tax exemptions to public or private institutions which discriminate because of race, creed, or color. This has thrown that whole business into a quagmire and confronted the Congress with the matter, when actually the Congress has assumed, as every person in this country had assumed, that there can be no tax exemptions as a matter of public policy for institutions which discriminate.

The assault upon the rules of the Office of Federal Contract Compliance programs, and the change in the standards of that agency will make it possible for people to get contracts with the Federal Government and to in turn discriminate against some of the people who pay the taxes used to pay these contractors for doing business with the Federal Government.

The Commission on Civil Rights has suffered RIF's and cuts in its budget which will make it very difficult for that agency to do its job, while at the same time, the administration has released from the leadership of that fine agency Arthur Flemming, who has to be considered the conscience and the godfather of the civil rights effort of the Federal Government.

The Equal Employment Opportunity Commission RIF's and budget cutbacks have made it impossible for that agency to continue to do its fine work of investigating and attempting to negotiate discrimination in employment on the basis of race, color, creed, or sex, religion, national origin, age, or handicap.

The near destruction is a shame. I say destruction because there have been drastic cutbacks in the services and limitations on the jurisdiction of the Legal Services Corporation, cut-

ting back class action suits, telling people, in effect, that in this country you have a right, but a limited remedy. By telling people that there no longer will be a teakettle with a whistle to let out the steam, we are going to have people who will blow up. It is a very dangerous, dangerous situation. This administration has moved in that direction dragging its feet on voting rights.

One would assume that this country, if it has anything and is dedicated to anything, it is a long-standing continual development and expansion of the franchise to the point where every person in this country should have the untrammelled right to vote and have that vote counted regardless of race, color, or creed. That is what this country has stood for, and that is what every President in my lifetime has stood for. But yet this President, through legerdemain and every other kind of way of obfuscating the matter, has thrown away the Voting Rights Act into a quagmire.

As to affirmative action, the U.S. attorney and head of the Civil Rights Division have time and time again said that they are going to turn their back on affirmative action, one of the only simple, fine, effective tools that has been devised to make certain that minorities and women can escalate themselves up the economic ladder in this country.

On desegregation, the President has turned his back and has stated his categorical refusal to follow a long line of Supreme Court cases which have made it very clear, that desegregation and affirmative action are the law of this land.

I commend the gentleman from Illinois, Mr. SAVAGE, and these fine ministers from the city of Chicago for coming down here to bear witness to and to protest against this kind of encroachment, not only upon human services and human rights and education, but also upon the whole panorama of human rights, not to mention that which I have not touched upon, the danger of civil liberties in this country.

If ever there was a time where the religious community of this country must speak up, it is now, and the gentleman is to be commended and the ministers are to be commended for being here today.

Mr. Speaker, I include my prepared statement and the following information in the RECORD.

Evidence about the damage caused by the administration's fiscal year 1982 budget continues to mount. For example, sharp cutbacks on services, and increasing unemployment. In fact, when President Reagan took office in January 1981, the unemployment rate was 7.4 percent. Last month it reached a high of 9.5 percent, leaving over 10-



million Americans out of work. Black unemployment jumped from 17.3 percent to 18 percent in March of this year. Corporations have not shown a profit, and instead of creating more jobs with the tax breaks they received, they have used their excess cash to gobble up other companies.

There were major cuts in health care spending including a number of changes in health programs, such as cost-sharing and reimbursement changes under the medicare program, a limit of Federal medicaid reimbursements, and phaseout of a number of smaller programs, such as Federal support for health planning, health maintenance organizations, reductions in support for health professions and nursing education programs. The cost of medical care services has increased 10.8 percent this year, and prices for hospital services increased 14.8 percent.

The level of services previously provided by the Federal Government has been drastically cut in ways that especially hurt poor people, older people, handicapped people, and those on fixed incomes.

In spite of this, even more cuts are planned. In all areas of the country, the fiscal year 1983 budget proposals affecting AFDC, food stamps, energy assistance, medicaid, and housing assistance programs will make poverty a more severe and permanent condition for millions of low-income families. We will see reduced funding to the supplemental food program for women, infants, and children, establishing in its place an expanded block grant.

The proposed budget will not produce anticipated cost savings for the Federal Government. These cuts have nothing to do with balancing the budget or helping the economy. All they'll do is punish poor people, who will endure greater poverty.

According to the Census Bureau, in 1980, 13 percent of the population, or 29.3 million people, had incomes below the poverty level. This includes 15.7 percent of those over age 65, 32.5 percent of black and 25.7 percent of Hispanic families.

We foresee proposed changes in regulations under title VI and IX of the Civil Rights Act, which would limit the forms of discrimination prohibited by the act, permit certain forms of direct student aid to go to discriminatory schools, and permit schools receiving Government grants to discriminate in programs not directly funded by the Federal Government. These changes would significantly limit civil rights protections by redefining what constitutes a violation, and by limiting the definition of who has standing to challenge violations that occur.

The existence of the Legal Services Corporation is being threatened, while in the meantime, has been severely limited in its ability to bring class

action suits against the States on behalf of poor people challenging discrimination. Anyone advocating major changes on civil rights enforcement from within the administration, has to understand that, in the aftermath of such clear disasters as the IRS tax exemption proposals for discriminatory private schools, the administration has no credibility on these issues.

Briefly, other issues facing severe cuts are in the area of education. An additional cut is being proposed of 24 percent in the Federal per pupil expenditure for title I, which supports special education programs for educationally disadvantaged children in low-income schools.

In addition to the administration's proposed cuts, the Department of Education has cuts of its own planned for title I. The Department of Education is considering using 1970 census data in calculating ESEA title I allotments to the States. This would result in the loss of hundreds of millions of dollars for States throughout the country in title I funds.

Additional reductions of 19 percent in educational assistance to handicapped children has been proposed. This would affect 4.5 million handicapped children, and reduce the average per pupil Federal contribution from \$246 to \$180, or 7 percent of average student costs.

Additional cuts of 32 percent in vocational rehabilitation programs, and the elimination of 36 percent of the number of individuals participating in the programs, has been called for, along with a 32-percent reduction in Federal aid for vocational and adult education. There will be reductions in bilingual education assistance by 32 percent, and the elimination of all library program funds, including public, college, and research libraries.

A number of changes are being pushed for aid to higher education, including large reductions in Pell grants and other direct aid to college students, as well as significant increases in the cost of borrowing money through guaranteed student loans. If the administration succeeds in eliminating the graduate student loan program, or in charging commercial interest rates for student loans, then large numbers of minority students will be forced out of higher education. All of the traditionally black colleges estimate that they would have to close their doors, and almost no blacks or other minority students would be able to attend graduate school. We can also expect that teacher training programs would be eliminated at most colleges since high commercial interest rates plus loan initiation fees would eliminate the credit eligibility of everyone except those students with limited financial need.

It is no coincidence that efforts to defund public education come at a

time when minority students represent a majority of the public school population in many cities. The Council of Great City Schools, an association of 28 of the Nation's largest school systems, estimates that of the 5 million students in these 28 systems, 75 percent are minority, and 30 percent have incomes below the poverty levels in those areas—30 percent cuts have been proposed in direct funding to these schools, which will increase to 40 percent over the next 2 years, when inflation is factored in.

I oppose these cuts, because they are shortsighted and unnecessary in terms of the economic resources of this country. I think they also represent a fundamental reversal of the U.S. policy of providing access to quality health care and education, and a reasonable standard of living for all people.

#### RETREAT ON CIVIL RIGHTS BY THE REAGAN ADMINISTRATION

The Reagan administration has settled down for a no-holds barred fight to strip us of every gain we have made over the last 30 years. Time after time, on issues like the Voting Rights Act extension, and the tax status of discriminatory private schools, the administration has refused to accept moderate positions, even where those positions were clearly shared by overwhelming majorities of the Congress and the American people.

The administration is encouraging attempts to amend the Constitution to prohibit affirmative action and busing to achieve desegregation.

They have also supported a variety of legislative attempts to restrict the jurisdiction of the Federal courts, and to limit the sorts of actions that courts and Federal agencies can take to remedy discrimination.

The Reagan administration supports efforts to restrict the ability of minorities and the poor to get into court to bring cases before administrative agencies, and to participate in the political process. Examples include Reagan's attempt to abolish the Legal Services Corporation, to reduce attorneys' fee provisions in civil rights cases, to abolish VISTA, whose workers often made poor people conscious of rights they did not know they had, and to weaken the Voting Rights Act of 1965.

To this, add a number of technical changes being sought, such as shifting burdens of proof and insisting that intent be proven in civil rights cases.

The Reagan team has promoted the use of affirmative discretion to avoid reaching, or allowing a court to reach, findings of discrimination. This tactic is especially apparent in recent school desegregation cases, such as Houston, where the Justice Department has refused to appeal bad lower court rulings, even though there was a strong likelihood of winning on appeal. Add

to this a policy of funding cuts at key enforcement agencies—for example, 40 percent of the Chicago regional OFCCP office has been cut—and deliberately induced personnel chaos within the civil rights enforcement programs.

Stage II of the Reagan plan calls for turning the management of Federal programs over to the States—in the form of block grants—with the understanding that State legislatures, given the choice, will by and large refuse to support programs which benefit minorities and the poor.

The Reagan team knows full well that black folks and poor folks will be isolated within those States, and in most cases, powerless to do anything about it.

The strength that we mustered nationally, cannot be duplicated in 50 separate State capitals throughout the country. And each of the legislative battles and court cases we won, which applied to the entire country, will now have to be fought piecemeal in 50 separate State court systems or, at best, in 11 Federal circuits.

Take enforcement of titles VI and IX of the 1964 Civil Rights Act. Title VI states that:

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Title IX extends the same protections against discrimination on the basis of sex. Now the executive branch wants to rewrite the regulations which give meaning to that law.

The IRS tax exemption issues is a good example. The Reagan administration is still arguing that IRS was without statutory authority to deny the exemption, claiming that the Tax Code itself contains no language prohibiting racial discrimination. Implicit in this argument is the notion that title VI will no longer be seen as applying across the board, and that if you check each of 1,000 separate Federal statutes, do not mention nondiscrimination, then it is OK to discriminate, or at least the Federal Government and the courts should not have anything to say about it.

Also, the Department of Education, with Justice Department concurrence, has recently issued a major reinterpretation saying that title VI would not extend to direct student aid. What this means is that schools which receive thousands of dollars in payments from federally guaranteed student loans are free to discriminate as long as they do not receive any other Federal moneys. The theory is that the student loans are money given to individual students, not Federal funds going to the institutions which discriminate. The next step will be for the Justice Department to argue that even where an

institution receives other funds directly from the Government, its obligations not to discriminate are confined to the administration of the exact program for which the funds were received, not to other programs on the campus. Under this theory, if a school received a grant for a computer in its graduate research facility, it would not be prohibited from maintaining racially segregated dormitories for undergraduates. It is an absurd notion, but appears to be the direction in which the administration is headed. Creating an education block grant which transferred program responsibilities to the States creates the final hurdle. Block grants leave it up to the individual States to decide whether to incorporate and how to interpret nondiscrimination requirements such as those now in titles VI and IX.

In the past, most States provided inadequate funding for things like education, social welfare, and the criminal justice system. What funds they did provide were spent in an unequal and racially discriminatory way. The Federal Government stepped in to supplement the level of social welfare spending, and to raise individual States up to a national norm, and at the same time, forced each State to equalize its services, and eliminate discrimination.

Block grants reduce Federal support by 25 to 40 percent. They lump social programs together, and give the States a chance to decide which programs to continue, and at what funding level. And they reduce Federal enforcement to guarantee that the funds are not spent in a racially discriminatory manner.

Mr. Speaker, the following information was developed by the majority whip and illustrates the inconsistency and error in the administration policy.

#### REAGAN INACCURACIES: MORE MISSTATEMENTS ON UNEMPLOYMENT

The President recently misstated the statistical nature of the unemployment problem for the second time in four months. He attributed the rise in unemployment during the Reagan recession to increased numbers of women and new entrants in the work force.

"Part of the unemployment is not as much recession as it is the great increase in people going into the job market, and ladies, I'm not picking on anyone, but (it's) because of the increase in women who are working today and two-worker families and so forth."—President Reagan, New York Times, 4/18/82.~

The President could have avoided this unfortunate misstatement if he had read the unemployment report for March, 1982, which was issued by his own Department of Labor.

All of the over-the-month increase in joblessness was among job losers, most of whom were permanently terminated from their jobs. The number of persons on layoff (job losers expecting recall) rose slightly, following 2 months of decline. Job losers have accounted for nearly all of the increase in unemployment since the recession began

and in March comprised over 57 percent of the unemployed.—BLS News, 4/2/82.

The BLS also reported that unemployment rates for adult men and women were an identical 7.9 percent in March, 1982.

The latest incident of Presidential dissembling on the unemployment problem follows on the heels of another serious misstatement in January, 1982.

"I realize there's been an increase in unemployment. It's been a continuation of an increase that got under way in the last several months of 1980 . . . (It) was increasing very much more in the last six months of 1980."—President Reagan, press conference, 1/19/82.

The fact is that the unemployment rate was declining in the last months of the Carter administration—from 7.6 percent in October to 7.5 percent in November to 7.4 percent in December, 1980. It reached a low of 7.0 percent in July, 1981.

#### THE ECONOMY: THE WORST SLUMP SINCE THE GREAT DEPRESSION

The administration "will take the blame, or the credit—I think the credit—for what happens to the economy."—Secretary Regan, New York Times, 2/1/82.

Unemployment: Unemployment reached the highest level since 1941. The overall unemployment rate reached 9.4 percent, easily breaking the post-war record of 9.0 percent set in 1975 and again in March, 1982. The Labor Department reported that if discouraged workers were counted, the unemployment rate would have reached 12.5 percent in April.

A total of 10.3 million Americans were unable to find work in April, up 400,000 on a seasonally adjusted basis from the level in March. Those working part-time for economic reasons increased 100,000 in April to 5.8 million, an all-time high. Combined with the latest (1st quarter) figure for discouraged workers, these figures reveal that 17.4 million Americans were either jobless or underemployed due to the recession.

Record high unemployment rates were recorded by the Labor Department in several subcategories: black unemployment reached 18.4 percent, an all-time record, up from 18.0 percent in March; 8.2 percent of adult men were unemployed, an all-time record, up from 7.9 percent in March; 6.0 percent of married men were unemployed, an all-time record, up from 5.3 percent in March; blue-collar unemployment hit 13.7 percent, an all-time record, up from 12.9 percent in March; and teenage unemployment reached 23.0 percent, an all-time record, up from 21.9 percent in March. These subcategories did not exist in the BLS statistics the last time unemployment was so high, 9.9 percent on a yearly basis in 1941.

The number of employed persons continued to decline. Their number fell 150,000 in April to 99.3 million, well under the 99.9 million Americans employed when the President took office and the peak level of employment, 100.9 million, which was reached in July, 1981.

The President, who has in the past cited pages of want ads in various newspapers to belittle the unemployment problem, would find fewer pages of want ads today due to the recession. The Conference Board, a business research organization, reports that its index of help-wanted advertising fell to 96 (measured on a basis of 1967=100) in March, 1982 from 103 in February. It is the first time the index has fallen below 100 since 1975.



Interest Rates: The prime interest rate remained at 16.5 percent. Mortgage rates remained at 17.5 percent. Unsecured consumer rates from major banks ranged from 19.5 to 22 percent.

Mr. Speaker, I also wish to include the following statement concerning H.R. 5320, the Job Training Partnership Act of 1982:

During the past week, the Committee on Education and Labor met to consider a new job training bill. Amendments that I introduced will guarantee a greater role for minority-owned business and community organizations, in designing this new program.

Last week, we, in the House Labor Committee, met to consider the "Job Training Partnership Act of 1982," known as H.R. 5320. This bill is designed to replace the job training segment of CETA, which the Reagan administration will eliminate this coming August 1982.

After considerable debate, the committee passed, without opposition, several amendments which I introduced. These changes guarantee a greater role for minorities to participate in the new job training program.

The bill we passed allows students ages 14 to 15 to become eligible for summer employment. This has been in very great demand throughout the country. The Federal Government has a responsibility for assisting States in establishing job training and placement programs. We are pushing for the creation of job training programs and for placement of trained people in useful jobs which do have a future.

The bill sets up two governing boards for each training program. Private industry, organized labor, community groups, and State and local governments will be involved in the design and management of these programs. We have provided an opportunity for minority business, community-based organizations, and labor organizations, to be also represented thoroughly on these boards.

The Job Training Partnership Act has not yet been scheduled to come to the House floor; however, we believe it has a good chance for passage.

Finally, Mr. Speaker, I include the following statement in support of amendments which were accepted to insure the provision of opportunities for minorities and women in the Defense Production Act of 1950, H.R. 5540:

At hearings before the House Committee on Education and Labor this week, Congressman HAROLD WASHINGTON successfully introduced two amendments to the Defense Production Act of 1950, H.R. 5540. WASHINGTON's amendments would pave the way for blacks, other minorities, and women to receive technical and computer training in various defense production industries.

WASHINGTON said that while he is opposed to increased defense spending, he feels compelled to support this act because it allows industrial plants to expand their capacity to produce and process critical metals and minerals such as chromium, which is used in the manufacture of steel. He added, "The provisions of this act which provide for job training, skill development, and the retraining of employees in computer and other technical fields not only are critical to defense production; they are key to the revitalization of U.S. industry in general. Together with the Job Training Partnership Act of 1982 which the House Education and Labor Committee recently reported out, I

am confident that these acts will equip the unemployed and underemployed with a competitive level of skills necessary for employment in this highly electronic and technical era."

In addition to providing assistance to industry, the bill authorizes \$5 billion in State assistance to support training programs in technical and scientific fields, especially computer science. In order to qualify, States must develop plans which are approved by the President. WASHINGTON's first amendment will prohibit the President from approving any State plan which does not include measures to insure opportunities for minorities and women.

Washington expressed strong concern about the lack of technical training centers to prepare minority youth to compete in increasingly technical occupations. His second amendment expands the type of institutions which may receive funds to establish technical and computer training programs in order to include high schools and junior colleges. "To make training opportunities meaningful, they must be available through institutions which are accessible to minorities, women and older displaced workers."

Washington, who supports greater assistance to U.S. companies in order to ease unemployment, is hopeful that the legislation will be passed. He explained, "While the Reagan administration has resisted giving economic aid to troubled small businesses, this bill is specifically addressed to declining businesses in defense related areas. I hope that the administration will support it as a first step in providing necessary assistance to other industries."

This legislation will be a boon to the many small and medium-sized industrial plants throughout the Chicago area and will provide a stop-gap in the swelling ranks of the unemployed."

Mr. AuCOIN. Mr. Speaker, will the gentleman yield?

Mr. SAVAGE. I yield to the gentleman from Oregon (Mr. AuCOIN).

Mr. AuCOIN. Mr. Speaker, I appreciate the gentleman yielding.

I did not know, because I did not check my schedule carefully enough, that the gentleman was talking this special order today. But I want to compliment him for the leadership he has shown in scheduling and conducting it.

I would add only a couple of thoughts to the points the gentleman and others have made. The main point I would like to share is that we need to, I think, at a time like this remind ourselves what a budget actually is.

A budget is more than just a ledger of numbers. It is not just a game of arithmetic; it is not just subtraction and addition. It is certainly a list of numbers, but more than that it is a dollars and cents statement of national objectives. It is a dollars and cents statement of who we are as a people.

I say that because where we choose to take money and where we choose to put money in the budget or take it out of the budget really defines our own political values as a people. I must say, as I look at who the winners are and who the losers are in the budget that has been presented to this Congress, I am appalled at the definition of the

American people that we are being asked to approve.

The winners are the military-industrial complex, the B-1 bombers, MX missiles. We even have funds in this budget for \$4.2 billion over the next 5 years for civil defense bomb shelters and evacuation plans which we know are not going to work, which we know are not going to save this country if there is an exchange between the superpowers.

That is \$4.2 billion that is coming out of the mouths of hungry children, that is coming out of the health care needs of senior citizens. It is coming out of teenage unemployment programs for inner city youth.

That is where that money is coming from.

In this budget we have funds proposed by this administration for nerve gas production. That is another winner in this budget.

Who are the losers? They are the hungry children, the Hispanics, they are the blacks, they are the minorities, they are the senior citizens, the sick, the weak, the elderly. They are the losers.

What kind of national definition is that of our values of who we are as a people?

I just say to my colleague, when we evaluate the winners and the losers, one can see very quickly that there are not one but two deficits before us for our consideration today at this time in Washington, D.C. First there is the obvious deficit, the \$182 billion deficit to the Treasury that this administration proposes on top of all of the other inequities in its budget. But then there is the more pernicious one—and I refer to it as the moral deficit—the moral deficit, because there is no promise, there is no economic boom that has been precipitated as promised by the Reaganomics plan.

Instead, what we have is no boom at all, 10 million people out of work nearly without hope, teenage unemployment for minority youth nearly 50 percent. There is no boom at all, and so what we have instead is a raw shift of resources from those folks at the bottom of the society to those folks at the top.

I think for that reason we do have a moral deficit in the economic plan, and it needs to be corrected. The gentleman has made a contribution toward correcting it by taking this special order, and I compliment him.

Mr. SAVAGE. I wish to very deeply thank my very concerned colleague from Oregon and my colleague from Illinois for beginning to spread on this worldwide record the purposes so noble for which there is present in Washington these members of the clergy.

I am very encouraged because whatever way the budget at this time may

go, we are beginning to build in the record, we are beginning to bear witness to what is right and what is wrong in this country.

I do truly believe that the right will not forever remain on the scaffold while wrong sits upon the throne, that whether it is tomorrow, the next day or even the next year, we may not be able to know as He works his way, but right shall win and the record shall show that there were those who were here on the side of justice, jobs, and peace.

I wish, in conclusion, to list those members of the Chicago Clergy Crusade for Jobs, Justice, and Peace who are here today to lobby:

Rev. N. A. Allen, Mt. Herman Baptist, 7848 South Normal Avenue.

Rev. H. Brady, Christ Hope Baptist, 7559 South Aberdeen Avenue.

Rev. Arleta Spencer, Greater Bethlehem Temple, Chicago Heights, Ill.

Rev. Eugene Cherry, Christ Youth Missionary Baptist, 8801 South Hermitage Avenue.

Rev. Jesse Cotton, Greater Institutional AME, 7800 South Indiana Avenue.

Rev. Augustus Cage, Cage Memorial Chapel, 7651 South Jeffery.

Rev. Joseph Greenwood, Greater St. John Missionary Baptist, 741 West 59th Street.

Rev. Elmer L. Fowler, Third Baptist, 1551 West 95th Street.

Rev. Vera Haywood, Beverly Church of Religious Science, 2255 West 79th Street.

Rev. Connie Crawford, Church of Living God, 1738 West 67th Street.

Rev. Chester McLaurin, Boosters for Christ Revival Center, 8551 South Ashland.

Rev. James Tillman, Memorial Baptist, 1546 West 87th Street.

Rev. Claude Wyatt, Vernon Park Church of God, 7653 South Maryland.

Rev. Carlton Eversley, Shiloh Baptist, 9211 South Justine Avenue.

Deacon William Dillard, Shiloh Baptist, 9211 South Justine Avenue.

Rev. Mable Elliott, Herth Manor Missionary Baptist, 57 West 118th Street.

Rev. Clara Epps, Unity Center of Truth, 8656 South Essex.

Rev. John Stallworth, Pilgrim Baptist Church of South Chicago, 3235 West 91st Street.

Rev. James R. Flint, Union Evangelistic Baptist, Chicago Heights, Ill.

Rev. George Hunter, Calvary Baptist Church.

Rev. Eddie Williams, Pentecostal, 7716 South Aberdeen.

Rev. Samuel L. Day, House of Faith, 13 West 115th Street.

Rev. Hiram Crawford.

Rev. A. J. Wesley, Lilydale Progressive Church.

Rev. Bernard Taylor, Presbyterian Church of Roseland.

Rev. Eddie McMillan, Church of Christ.

Rev. Richard McCreary, New Covenant Baptist.

Rev. James Meeks, Beth Eden Baptist.

● Mrs. COLLINS of Illinois. Mr. Speaker, it is with great pride that I rise today to welcome a group of ministers from the Chicago area who have journeyed here to participate in the Clergy Crusade and lobby the Government regarding the traumatic effect the President's fiscal year 1983 budget,

if passed by Congress, would have upon the poor, the elderly, the unemployed, and the children.

It is appropriate that these ministers have chosen to come to Washington this week—the week the House will use the President's fiscal year 1983 budget as the vehicle for the consideration of the Latta and House Budget Committee alternative. I would like to tell these ministers that this will be the week in which my colleagues will vote conscientiously and courageously by defeating the President's budget and others which throw tax dollars to the Pentagon at the expense of people programs. It is doubtful that will be the case.

I unequivocally oppose the President's budget primarily because of my concern over the devastating impact his budget will have upon millions of Americans, specifically children and the elderly.

President Reagan has stated on too many occasions that the truly needy will not be affected by the proposed budget cuts. I am sure these Chicago clergy can attest to a more realistic scenario. The truly needy, along with unemployed middle class and bankrupt businessmen, are dropping like flies through the safety net. And the President has the audacity to propose even larger holes in that net.

It is my belief that the Reagan 1983 budget undermines the moral responsibility of Government to the citizens of America. I agree with the great American, Hubert Humphrey, who stated:

The moral test of government is how it treats those who are in the dawn of life, the children; those who are in the twilight of life, the aged; and those who are in the shadows of life, the sick, the needy and the handicapped.

Mr. Speaker, the President has failed this test. Last year, under his leadership, the President claimed that his budget proposal was fair. In fact, however, its cuts were disproportionately directed at programs to assist the poor and the disadvantaged, including investment in health, education, training services, and public works. This year the administration has not bothered to pay lip service to the idea of fairness. It has once again targeted for cutbacks the same programs which sustained deep spending reductions last year.

Under this budget, the children will see an additional \$8 billion cut in their programs. Child nutrition services will be cut by \$334 million in budget authority and \$300 million in outlays. The summer feeding program—a program which helps preserve nutritional gains made by children during the school year—will be terminated. The special milk program, a program which subsidizes milk consumption in schools that do not participate in other Federal meal programs, will be

eliminated. School breakfast and child care food programs will be placed in a block grant while grants for nutrition education will be terminated.

Medicaid, a health insurance program which pays the medical bills for low-income Americans, children, and pregnant women, will again bear the brunt of the Reagan cuts.

The Federal child support enforcement program, a program which partially reimburses States and localities for expenses in collecting child support payments from absent parents, would also be drastically impacted.

If that is not enough, approximately 165,000 women, infants, and children will be dropped in fiscal year 1983 from the WIC program due to inadequate funding and 370,000 would have to be cut off by fiscal year 1985. This means that some half a million fewer people would be reached.

Suffer the little children.

The aged and elderly are, of course, to assume an even heavier burden if the President's budget is passed. They can look forward to changes in the Federal supplemental income (SSI) program which will exclude some 115,000 individuals in fiscal year 1983 who will not be considered permanently disabled.

Food stamps will receive a \$1.3 billion decrease from the fiscal year 1982 authorized spending level. For working poor families, this amounts to encouraging them not to work—a philosophy supposedly counter to the Reagan work ethic. For our elderly, less food. Coupled with less food stamps, the low-income energy assistance program will be cut. Conceivably, our seniors may not have a choice between "heat or eat"; they will not be able to do either.

Under Medicaid, we would witness major legislative changes which would cut the Federal payment for all services for medically needy recipients, in addition to including Federal payments to the States for administering Medicaid in a new welfare block grant.

Last year, the President claimed he would preserve a social safety net of basic programs to protect the poor and elderly. Despite this claim, the administration and its congressional allies forced cuts in virtually every safety net program. This year's budget proposal continues this policy, and proposes a new round of reductions in the safety net programs, with cuts being requested in Medicare, AFDC, supplemental security income, and others.

Mr. Speaker, this is deplorable and further strengthens my resolve to support the program submitted by the Congressional Black Caucus which increases funding for all the programs above while lowering the dreaded deficit.

In closing, I again thank these Chicago clergy who, by making this trek



to the Capitol, are attempting to improve the quality of life for those in the dawn, those in the shadow and those in the twilight of their lives. Certainly they know firsthand just what damage has and will be inflicted upon the truly needy, unemployed middle class, and bankrupt businessmen by the Reagan budget document.●

● Mr. ANNUNZIO. Mr. Speaker, I rise to join the Honorable GUS SAVAGE in welcoming the delegation of about 50 clergymen and women from the metropolitan area of Chicago who are visiting Washington today and tomorrow as part of a Clergy Crusade to discuss with various Government officials the effects of Federal policies and programs on the city's disadvantaged.

In the hard economic times faced by our Nation, these religious leaders of the Chicago community have come to Washington to especially express their concern about issues such as the funding of useful social and community programs and the city's current unemployment problem.

As Congress proceeds in its budget considerations, I urge my colleagues to cooperate with the religious and community groups in order to seek innovative ways to see to it that the less fortunate are adequately provided with the basic necessities of life.

Mr. Speaker, the clergy and the religious institutions of our country are vital in maintaining the spirit and hope of our Nation, and I extend my greetings to these men and women, and my best wishes that their stay in Washington is both productive and informative.●

Mr. SAVAGE. Mr. Speaker, I want to extend my thanks to my colleagues from Illinois, Mr. ANNUNZIO, Mrs. COLLINS, and Mr. FARY for the remarks which they have inserted in the RECORD on this special order.

#### GENERAL LEAVE

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order of today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE CONCURRENT RESOLUTION 297

Mr. GREGG. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Concurrent Resolution 297.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

#### TRIBUTE TO FORMER CONGRESSMAN JAMES C. CLEVELAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. GREGG) is recognized for 60 minutes.

#### GENERAL LEAVE

Mr. GREGG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include therein extraneous material, on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. GREGG. Mr. Speaker, on Friday, May 28, 1982, there will be a ceremony dedicating the U.S. Post Office and Courthouse Building in Concord, N.H., as the James C. Cleveland Federal Building. This is in recognition of the distinguished public service career of Jim Cleveland, my predecessor as Representative from the second district of New Hampshire, who retired at the end of the 96th Congress after 18 years in this body.

It is altogether fitting that the Concord Federal Building bear his name, as provided in legislation initiated by the Committee on Public Works and Transportation, on which he served with distinction. And I think it appropriate to take this occasion to comment on Jim Cleveland's contributions—to which no formal dedication of a single structure can do justice—to his constituents, his country, and this Congress as an institution.

In New Hampshire, there are many monuments to his career that do not bear his name but in fact reflect his contributions as a legislator. Transportation in the form of both individual projects and the regular Federal-aid highway programs for which his support was constant over the years; economic development, notably in the assistance provided to Berlin and other communities through the programs of the Economic Development Administration; the environment, in the form of New Hampshire's benefit from the water pollution control program and the preservation of the scenic values of Sandwich Notch, to name just a few. There was a balance between economic and environmental objectives. Indeed, this was best exemplified by his bringing about the compromise that paved the way for construction of Interstate 93 through Franconia Notch in a manner accommodating both transportation and environmental concerns.

There was balance of another sort in Jim Cleveland's approach to his duties as a Member. Intensely concerned

with service to his constituents, he considered the insights gained from the solution of problems facing individuals or communities to be the raw material of the legislative process. Those insights helped him in his role as a national legislator, shaping programs in terms of the problems they are intended to address but cannot address in the abstract.

His concern for getting the facts, and a suspicion of the caliber of information generated in Washington, led him to emphasize the oversight function on the Public Works Committee, his principal legislative assignment. In recent years, the oversight findings were translated into a key water pollution control amendment initially opposed by the Environmental Protection Agency and environmental groups but now embraced in light of the way it has worked in practice.

The same approach led him to focus on the workings of the Congress, congressional procedural reforms and restructuring of committee jurisdictions, staffing, investigations, prerogatives of Members essential to fulfilling their responsibilities, and reforms of political campaigning, the process by which we all get here in the first place. In these and other areas, in those efforts that were successful and those that were not, Jim Cleveland sought civility in debate of the issues, reflecting great credit on those who chose him as their Representative and serving the country well.

In closing, Mr. Speaker, I would offer this quotation from the report of the Committee on Public Works and Transportation accompanying the legislation authorizing the designation of the James C. Cleveland Federal Building:

We have come to know Jim Cleveland as a valued friend, something of a loner at times, often direct to the point of bluntness, with an integrity making him a formidable adversary and an unwavering ally; a truly learned student of the legislative process, exponent of common sense, of balance and of programs that work, and of responsible and responsive government, a dedicated member of this committee.

□ 1445

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I just want to thank the gentleman for taking this special order today.

I come from the Adirondacks Mountains in upstate New York, not far from the gentleman's district, and had the pleasure of serving on the Public Works and Transportation Committee with Jim Cleveland and also on the Select Committee on Committees. I personally, in the 2 years that I served with him, have never seen a more

dedicated and more capable Member of this House.

In addition, I spent many evenings with Jim and Bob McEwen, former Congressman Bob McEwen, who retired the same year that Jim Cleveland did, and from the decades of service that the two of them had in this House, I just learned so much, and it made a much better legislator out of me. I want to say to the gentleman in the well that he is following in those footsteps. I commend him, and I certainly commend him for taking this special order.

Mr. GREGG. I thank the gentleman from New York.

● Mr. RHODES. Mr. Speaker, it is a real pleasure to join with the many friends of former Congressman James C. Cleveland in this special order honoring him on the occasion of the renaming of the Federal building in Concord, N.H.

The legislation governing the naming or renaming of Federal buildings specifies that there should be nationwide uniformity in building names, and at the same time, each should clearly reflect the character, usage, and location of the building.

To name the Federal Building in Concord, N.H., after our former colleague Jim Cleveland is most certainly in keeping with the spirit and the letter of this law. Jim, like his native State, has contributed significantly to the Nation.

Our former colleague demonstrated his commitment to excellence during his academic career, graduating from Colgate University, magna cum laude, and from Yale University's School of Law.

At that dark hour in our Nation's history in December 1941, Jim enlisted in the Army and served overseas in the Pacific for 40 months. He received a Bronze Star for valor and was recalled to overseas duty during the Korean war.

He has been an outstanding leader in the private and public sectors. His long, and distinguished career as an elected official began in 1950 as the Merrimack County GOP chairman; included several years in the New Hampshire Legislature and culminated with his 18 noteworthy years of service in the U.S. Congress.

It was a pleasure to have had the opportunity to serve with Jim in the House. I remember well the outstanding effort he put forth both as a Member of this body and of the several committees on which he served. I am delighted that he is receiving the well-deserved honor of having the Federal Building in Concord, the capital city of his State, named for him.

This action will serve as a constant reminder for the citizens of Concord and the State of New Hampshire of the significant contribution Jim Cleveland has made to their community and

State. I know it will be a source of pride for Jim reminding him every day that his efforts have been appropriately recognized.●

● Mr. CONTE. Mr. Speaker, I am pleased and honored today to join my colleagues in paying tribute to my esteemed former colleague, Jim Cleveland of New Hampshire, on the great occasion of the renaming of the Federal building in Concord after Jim.

Jim Cleveland served with distinction in World War II, winning a Bronze Star for valor in the Pacific. After returning home, he practiced law in New Hampshire as well as organizing and directing the New London Trust Co. Jim served 12 years in the New Hampshire Senate, rising to the positions of majority floor leader and chairman of the judiciary committee.

Jim entered the House in 1962. I served with him nearly 20 years, and I never ceased to be deeply impressed by his great devotion to his constituents, his country, and his responsibility as a public servant. Despite the great demands on his time, Jim has always been very active in charitable and service organizations.

I am sure all my colleagues join me in recognizing Jim's great achievements on the Transportation and House Administration Committees, and as chairman of the Select Committee on Committees. As chairman of the House Republican Task Force on Congressional Reform, Jim was responsible for the influential book "We Propose: A Modern Congress," in 1966.

Jim's warm personality made him well-liked. Serving with him was always a pleasure, especially due to our shared interest in fishing.

On this great occasion, my warm congratulations go to Jim, his wife Hilary, and their five wonderful children, and I wish them all the best for the future.●

● Mr. DERWINSKI. Mr. Speaker, it is a special pleasure for me to join in this special order to honor a former colleague and a good friend, James C. Cleveland. Jim is being appropriately recognized by the State of New Hampshire for his many years of public service. The renaming of the Federal building in Concord, N.H., is a fine tribute to a sincere, hard-working public official.

During his tenure in office, Jim was known by all of us for his outstanding dedication to getting the job done. Jim Cleveland brought honor and distinction to this Chamber, and his many contributions will long be remembered. Jim is a true gentleman who is well respected for his ideals and strength of character.

Throughout his 18 years in Congress, Jim worked diligently on behalf of his district and his country. He was dedicated to the discharge of his congressional duties in a fashion that was totally responsive to the needs of our

Nation as well as the State of New Hampshire and the district he represented.

I congratulate Jim on this occasion and commend the citizens of the State of New Hampshire for honoring such an able and dedicated public servant who was a credit to public office and to the Congress.●

● Mr. SHUSTER. Mr. Speaker, I rise in recognition of Jim Cleveland, one of the most distinguished and respected former members of the House Public Works and Transportation Committee. Until Jim Cleveland retired in 1980, after 18 years of dedicated service, the Public Works and Transportation Committee was served by a Member who fought fair and hard for what he thought was right. On the committee, Congressman Cleveland was a strong supporter and formidable advocate of highway safety. In addition, he was well known for his concern for transportation of the handicapped in a manner that would most greatly benefit the elderly and disabled while retaining a viable and balanced mass transportation system.

Congressman Cleveland was a tireless worker and a firm believer that Government must not intrude unnecessarily into every aspect of a person's life. At the same time, the gentleman from New Hampshire was a strong and clear voice for his State in Congress and he insured that whatever action Congress took that such action would not adversely impact his constituents. In my view, Jim Cleveland is the finest example of a Member of Congress doing the best job he can and succeeding by setting the finest example possible. Therefore, the honor that has been bestowed upon Congressman Cleveland in the naming of the Federal building in Concord, N.H., after him is indeed richly deserved. I offer him my warm and sincere congratulations.●

● Mr. ROE. Mr. Speaker, I take great pleasure today in rising to salute our former colleague, the distinguished gentleman from New Hampshire, Jim Cleveland.

I had the distinct honor of working closely with Jim when he served on the Public Works and Transportation Committee. During that time, he became a recognized national expert in the fields of transportation, water resources and economic development. It can be surely stated that the Second Congressional District of New Hampshire had a forceful representative working for their interests in the halls of Congress.

As a ranking Republican member of the Public Works Committee, Jim consistently left party politics aside when it came to deciding what was best for the people of the Nation and those of his home congressional district. It is no wonder that his longstanding dedi-



cated service to the people of the Second Congressional District of New Hampshire earned him the title of "The Constituent Congressman."

It is also most appropriate that the Concord Federal Building be named in his honor in recognition of his years of outstanding service to the people of New Hampshire.

Mr. Speaker, while Jim Cleveland has spent most of his life in service to New Hampshire, my own State also has a claim on this great American due to the fact that he was born in Montclair, N.J., not far from my own congressional district.

In all seriousness Mr. Speaker, Jim Cleveland's expertise and guidance have been sorely missed in Congress. Jim, I salute you for your fine service to your country.●

● Mr. MAZZOLI. Mr. Speaker, my distinguished friend and former colleague, Jim Cleveland, represented the Second District of New Hampshire with distinction and honor throughout his many dedicated years of service to the House of Representatives.

The newly named James C. Cleveland Federal Building in Concord will remind all of the numerous contributions Jim has made to his State and to his country.

I extend to him my congratulations and best wishes for the future.●

● Mr. BROOKS. Mr. Speaker, I am happy to join in paying this special tribute to our former colleague, Jim Cleveland. We served together on the Joint Committee on Congressional Operations and the Select Committee on Congressional Operations. He had a great love for the House as an institution and worked hard to strengthen and improve its procedures.

Although we miss him here, I am sure he is enjoying being back in his beloved New Hampshire and I am delighted that his years of service to his State and the Nation have been recognized by the naming of the Federal building in Concord after him.●

● Mr. HOWARD. Mr. Speaker, all of us who have served in this body with Jim Cleveland feel a shared sense of pride and gratitude that his long and distinguished public career has now been given lasting recognition by an Act of Congress designating the U.S. Post Office and Court House in Concord, N.H., as "The James C. Cleveland Building."

Jim Cleveland, who returned voluntarily to private life at the close of the 96th Congress, was a longstanding and greatly respected member of the Committee on Public Works and Transportation, which I have the honor to chair, and I count it a high personal privilege to have shared his counsel and friendship through all my own years in the House of Representatives.

It is entirely fitting that the congressional act which renamed the Concord Federal Building in his honor

originated with his colleagues on the Public Works Committee—the men and women who had worked most closely with him and knew his qualities most intimately.

The gentleman to whom we pay tribute today has served his country long and well. His career of public service encompassed 34 years of war and peace: More than 4 years of overseas duty with the U.S. Army in World War II and Korea, 12 years in the New Hampshire Senate, and 18 years in the U.S. Congress representing the Second District of New Hampshire.

Jim Cleveland is sorely missed in the House of Representatives, on both sides of the aisle, but we know that the ending of his service in Washington does not mean the ending of his concern for and devotion to the needs of the Nation.

In announcing his decision to retire from public life, back in April 1980, our colleague left no doubt that he will continue his participation as a private citizen in the life of the Republic.

He said:  
My concern for the Nation's affairs will continue, for I feel strongly that there is a desperate need for a better balancing of views in public decisionmaking. I will certainly attempt in whatever way possible to achieve that balance.

Although our country faces serious problems, one may still be optimistic. Our country has self-corrected before and, if the people get the facts, it will self-correct again.

Mr. Speaker, the James C. Cleveland Building will stand in Concord as a reminder that, in our country's time of need, there must always be citizens of Jim Cleveland's stature who accept public service as a high and necessary calling and do not shrink from its burdens.●

● Mr. SNYDER. Mr. Speaker, today I am pleased to honor a former colleague and associate, Congressman Jim Cleveland. I have known Jim for nearly 20 years; I had the honor to serve with him for 16 of those years as a member of the Committee on Public Works and Transportation and during that time I came to know Jim Cleveland as a sincere and dedicated public servant. He was an able legislator and a champion of the rights of States.

I would like to congratulate our colleague, Mr. GREGG, for requesting this special order for those who were unable to attend the dedication of the James C. Cleveland Federal Building, because I believe that Jim and his lovely wife Hillary, deserve to be recognized for his contributions to our Nation and for his diligent efforts on behalf of his beloved State of New Hampshire.

I think that the hallmark of Jim's tenure in Congress was his diligent efforts to assure that the management of Government programs is done at the level closest to the people. His commitment to the goal of reducing

the Federal Government stems from a firm belief in the ability of our States to serve the people which he learned from his 12-year tenure in the New Hampshire Legislature where he served with distinction prior to his election to Congress.

An example of his tenacity is the enactment of the Cleveland/Wright State certification program, whereby State water pollution agencies were delegated the management of the Nation's largest public works program—the construction of wastewater treatment facilities for our municipalities. This initiative resulted from a series of oversight hearings conducted in 1974 by the Investigations and Review Subcommittee of the Committee on Public Works and Transportation which delved into the workings of the water pollution control program.

The first round of legislation was introduced in the spring of 1974 and was subjected to strong opposition by the Environmental Protection Agency and the environmental community. But due to Jim's persistent efforts his colleagues began to recognize the importance of this amendment and what it meant to the success of the program. With the passage of the 1977 Clean Water Act the Cleveland/Wright initiative became law and the day-to-day management of the construction grant program was turned over to the States. Those efforts have proven to be one of the most constructive changes made in the 1977 act. I feel it is fair to say that the doubters are now believers in this amendment.

Jim Cleveland also knew how to use his office to resolve conflict. His efforts and personal involvement in the controversy surrounding the routing of Interstate 93 through the Franconia State Park led to a solution which, for over 5 years, no one thought was possible. The environmental community as well as the developmental interests were not able to come to any consensus but, through tedious negotiations coupled with legislation in the 1973 and 1978 Highway Act, Jim was able to work out an agreement which was enthusiastically embraced by all interested parties.

Mr. Speaker, Jim Cleveland's concerns were not focused only on his congressional district. He was committed to seeing that the right thing was done regardless of who benefited. When we were developing the Comprehensive Environmental Response and Liability Act of 1980, which is commonly referred to as the chemical "superfund" bill, Jim was very concerned that there would not be enough money to clean up the problems which have occurred in small States since major attention would go to those large States which were receiving headline coverage. He attempted to see that every State would re-

ceive at least one cleanup effort. For this, he was severely criticized by the Washington Post editorial staff, which characterized his efforts as indicative of a "public works mentality" requiring one project in every congressional district. I know that to be totally erroneous. Jim had seen the affronts caused by careless waste management where some areas of his State were being made a dumping ground and he wanted action. He had the insight to know that small States would not be able to compete on an equal footing with the large ones. Through his efforts top priority was given by EPA to the Nashua problem and I know my colleague, Mr. D'AMOURS, must be especially appreciative because the site is located in his congressional district.

Mr. Speaker, as we now work to return many Federal programs to the States I believe that it is very appropriate to note that Congressman Jim Cleveland had long been working to achieve what we are only now beginning in this Congress to hopefully do.

Mr. Speaker, today's speakers will chronicle the many accomplishments of Jim Cleveland for quite awhile which will no doubt chagrin our usually staid friend from New Hampshire. Nevertheless, I am pleased to have the opportunity to participate in this special order honoring Jim Cleveland because all too often we do not, or cannot, take the time to recognize the contribution of a colleague. Jim Cleveland has spent virtually his whole career doing things for people and he has done that job very well. He is still at it—his current endeavor is to build residences for the elderly citizens of New London. It is an honor to know Jim Cleveland and to have worked with him.●

● Mr. BRINKLEY. Mr. Speaker, it is a pleasure to participate in this special order honoring our former colleague, Jim Cleveland. It was a special privilege to have served with him in this great body. Many of the goals we shared were identical, and we saw our purpose as holding the country together, rather than tearing it apart, especially during the Vietnam era.

Jim also felt that minding the store was extremely important, and it is to his everlasting credit that this remained front and center with him, and that he never waived in this dedication.

I miss his quiet, steady, and constant counsel in these Halls, and I am happy to call him my friend.

On April 29, 1980, Jim made his impressive retirement statement. I think it illustrates the life and service of this uncommon man exceedingly well. With your permission, Mr. Speaker, I should like to include it in my remarks today.

Thank you.

#### RETIREMENT STATEMENT OF CONGRESSMAN JAMES C. CLEVELAND—APRIL 29, 1980

After thirty consecutive years of elective public office (twelve in the New Hampshire Senate, eighteen in the U.S. House of Representatives), the time has come for me to return to private life. Despite my long service in the public sector (with more than four years overseas in the U.S. Army during World War II and the Korean conflict) the decision not to run for re-election was difficult. Public service is a high calling and a necessary one if our nation is to survive.

But I have served long enough and it is time for a change. Commuting to Washington on a weekly basis becomes less attractive with each passing year.

With the proliferation of centralized government in Washington the frustrations of the job increase proportionally.

I would like to spend more time with my family and attend to long neglected personal and business interests.

My concern for the nation's affairs will continue for I feel strongly that there is a desperate need for a better balancing of views in public decision making. I will certainly attempt in whatever way possible to achieve that balance.

I am deeply grateful to my family, friends and staff who have helped and sustained me. Although our country faces serious problems—most of which I take little comfort in having predicted—one may still be optimistic. Our nation has self-corrected before and, if the people get the facts, it will self-correct again—hopefully before it self-destructs.●

● Mr. MCCLORY. Mr. Speaker, my remarks in tribute to our former colleague, Jim Cleveland of New Hampshire, will be brief, but they touch on a subject of profound importance to all Americans, a subject to which Jim Cleveland rendered significant service and for which I am sure he has not been sufficiently recognized.

From his first days in the U.S. House of Representatives, Jim Cleveland took an active interest in the day-to-day workings of our National Legislature—not just the substance of legislation, but the processes by which that legislation was shaped and succeeded, or failed. Over the years Jim chaired several Republican task forces or study groups on congressional reform, and in the 1960's he was a member of the Joint Committee on the Organization of the Congress, which held extensive hearings on the organization and procedures of the Congress and from which, by a route too convoluted to recall at this time, eventually came the Legislative Reorganization Act of 1970, only the second omnibus congressional reform measure to be enacted in the Nation's history. Jim also took seriously his service on our housekeeping committee, the Committee on House Administration, not traditionally a favorite assignment of Members, and fought consistently for adoption of better management measures for the House of Representatives.

Jim Cleveland is a modest man. His hard labor at congressional reform was most often performed behind the scenes, and he was ever willing to

share credit with colleagues for achievements to which he had contributed a disproportionately heavy share of the work. He was doggedly determined to drag the U.S. Congress into the 20th century in terms of computerized functions, open hearings, televised debate, and 101 other improvements, and we are all in his debt for his persistence, vision, and not infrequent displays of courage.

Mr. Speaker, I am joined in the above sentiments by a member of my staff, Mary McInnis, who was associated with Jim Cleveland for many years in the difficult, wearying, and thankless struggle for congressional modernization. She asked that I include her in an expression of gratitude to Jim Cleveland for his indefatigable and truly significant service to the Nation on congressional reform and for the conveyance of our heartfelt wishes to Jim for a well-deserved and happy retirement.

Mr. Speaker, it is most appropriate that the Federal building in Concord, N.H., should be renamed in his honor as the James C. Cleveland Building. I thank my colleague from New Hampshire and Jim Cleveland's successor in this body, JUDG GREGG, for arranging this special order and this timely tribute to a distinguished former colleague, Jim Cleveland.●

● Mr. FAZIO. Mr. Speaker, I had the pleasure of serving in the House of Representatives with Jim Cleveland for only one term, but because I respect this wise and witty attorney from New Hampshire who has been honored by his former colleagues here today, I wanted to say a few words. We had in common the representation of the State capital of our respective States. This commonality is particularly true recently because Concord, N.H., has become the quadrennial winter home of California Governors seeking a respite from the fiscal difficulties of the Golden State. They descend upon the friendly citizens of the Granite State instead, to promote their economic plans and policies for the whole Nation based upon their experience in California.

We also had in common the fact that we both served in our State's legislature, although there the similarity almost ends. True, we both entered this institution with a profound sense of the legislative body as pre-eminent representatives of the people; we both saw service to the public as a duty to be performed with enthusiasm and vigor; we both served in the State legislature despite deep personal and financial sacrifices. I suppose that I should mention that the California legislators were earning over \$25,000—plus perquisites—to make them the highest paid legislators in any State, while the New Hampshire legislators



were earning the princely, yet public service minded, sum of \$100 per year.

We also shared a youthful association with the Garden State. Despite our formative years being spent in such a wonderful place, we both sought our careers in our fair home States and have never regretted our choices. We each accepted higher education in the exciting Empire State and then chose to enter politics. Despite all that we share in common, I must say that I cannot understand how he ended up as a Republican Member of this body; but he was highly respected and admired by his Democratic colleagues.

I know Jim Cleveland as a man who still cares about the people that we know as constituents. He has worked with me on a key project to bring housing into rural areas on my district through the Farmer's Home Administration. He worked very hard on this task with a dedication quite uncharacteristic of someone without a personal stake in the outcome. I am pleased that I still have the opportunity to work with Jim; and I extend my congratulations on the distinction associated with the naming of the Concord Federal Building in his honor.●

● Mr. MONTGOMERY. Mr. Speaker, I am delighted today to be able to send congratulations to my former colleague and good friend, Jim Cleveland of New Hampshire.

On Friday, May 28, the Federal building in Concord, N.H., was named in honor of this great American. I can think of no one more deserving.

Jim Cleveland served his State and his country in the House of Representatives for 18 years before retiring in 1980. He served with great distinction on the Public Works and Transportation Committee and was an outspoken advocate of improved highways and for traffic safety.

He will also be remembered for his efforts to aid the handicapped in the area of public transportation. Jim was one of the leaders in formulating legislation that benefited the handicapped who depend on public transportation each day.

I am happy to have served with Jim Cleveland in this Chamber and it is an honor to be able to call him a close friend. Again, I extend congratulations on this great tribute.●

● Mr. SENSENBRENNER. Mr. Speaker, on May 28, 1982, the Federal building in Concord, N.H., was renamed in honor of our distinguished former colleague, James C. Cleveland. I would like to share some thoughts on this occasion recognizing my former colleague's service.

The energy and dedication with which James Cleveland served his constituents is exemplified through the nine consecutive elections he won since first taking office in 1962.

During the course of his tenure in Congress, he served as the second ranking Republican member on the House Committee on Public Works and Transportation, and as the second ranking Republican member on the House Committee on Administration. His work on both of these committees was respected and admired by all those who had an opportunity to work with him.

Thus, I congratulate Jim Cleveland not only for the dedication of this Federal building in his name, but also for his 18 years of distinguished service in this U.S. Congress.●

● Mr. PICKLE. Mr. Speaker, New Englanders are sometimes described as cautious, unemotional, stone-faced, and conservative individuals. They sometimes live measured—if not austere—lives. They have a great sense of independence and do not go in for a lot of welfarism and government aid. They simply like to take care of their own and do right.

Jim Cleveland comes from that kind of stock. He is careful, cautious, and as solid as the proverbial rock of New Hampshire. I am proud to say we came to Congress in the same year—the 88th class. We have mixed a lot of medicine together and have shared many years of hard work, sacrifice, and achievement.

I salute Jim Cleveland. He has done an outstanding job in Congress and I am proud to have him as a friend. In the Halls of Congress and in our very special library we will miss this pleasant, teasing, hard-working American. It is Jim Cleveland's type of service which gives Congress a good image and a good name.●

● Mr. CLAUSEN. Mr. Speaker, I am delighted to have this opportunity to join in tribute to Jim Cleveland of New Hampshire, with whom it was my pleasure and privilege to serve on the Committee on Public Works and Transportation for many years.

Jim Cleveland genuinely and deeply believed in the role of Federal investment in public improvements in this country, which probably more than any other single fact accounted for his accomplishments in this field. He was keenly aware of the contribution which such investments can make to the economic vitality of communities, areas, and even entire regions, enabling them to recover the flourish economically on the basis of expanded employment in the private sector. This is true not only of our explicitly targeted economic development programs, but also of our more basic infrastructure programs such as highways and airports, not to mention water pollution control and the construction grants program's ability to permit development in an environmentally acceptable manner.

Aside from this long-term role, he was mindful of the short-term stimu-

lus of the construction activity itself. And he was equally mindful of the impatient with the extent to which the mass of Federal regulations and requirements—worthwhile and well-intended individually but stifling and burdensome in the aggregate—often made it difficult if not impossible to accelerate public works construction projects as a job-creating response to recession.

As ranking minority member of the Water Resources Subcommittee through the last Congress, I was pleased to associate myself with many of Jim Cleveland's legislative initiatives in the water area. A particular accomplishment was enactment of State certification, giving qualified States more authority, responsibility, and funding which would enable them to take over the day-to-day operations of the construction grants program. Based in part on Jim's experience with the highway program—which is essentially a federally assisted State program—and in part on a successful experiment in my own State of California, this innovation has made a major contribution to the improvement of the program. It is significant, too, that this was the outgrowth of extensive investigations into the operation of the clean water program, undertaken by the Public Works Investigating Subcommittee, on which Jim long served as ranking minority member. The entire legislative process is served well when a man with the talents of a Jim Cleveland will devote efforts of this magnitude to the painstaking task of inquiring into the way programs really work, fail to work, and can be made to work.

Other Cleveland accomplishments in this area include wetlands protection, dam deauthorization, and nonstructural alternatives in the water resources field. He also deserves credit for an effort during his last terms to increase construction grants funding for fast-moving States, while not penalizing the slower-moving States. This measure passed the House only to be bottled up in the Senate. Nonetheless, it symbolizes the constructive, dedicated and persistent efforts which Jim Cleveland exerted in the discharge of his responsibilities.

The same patient, low-key approach to problems also marked his activities in other areas of the committee's jurisdiction. He also was active in other areas, including congressional procedural reforms and institutional structuring, prerogatives of Members, minority rights and election reforms. And throughout the years, he managed to remain close to his constituency and in the process build an enviable record of service—to individual constituents, their communities, and his State.

All of which makes it most appropriate that the U.S. Post Office and Courthouse Building in Concord, N.H., has recently been designated as the James C. Cleveland Federal Building. And in conclusion, I want the RECORD to show that from the standpoint of his committee colleagues, that designation was as much a reflection of our personal regard for Jim and his family as of our respect and admiration for his record of service.

When all is said and done around here, this body is made up of individuals as well as Representatives. One of the pleasures of serving in this body is the opportunity to make lasting friendships, and I shall always value my friendship with Jim Cleveland. ●

● Mr. CLINGER. Mr. Speaker, I would like to join my colleagues in recognizing the character and accomplishments of former Representative James C. Cleveland, who well deserves the honor that we join in celebrating today.

I first encountered Jim Cleveland when, as chief counsel for the Economic Development Administration, I came up to the Hill to testify before his Committee on Public Works and Transportation. Frankly, at that time I found him quite intimidating, with his quick wit and his crusty New Hampshire demeanor. It was clear to me even on that brief acquaintance, however, that Jim Cleveland was one Member who always did his homework. His questions were always perceptive, coming from an obviously deep knowledge of the legislation and the programs under his committee's jurisdiction.

When I was elected to Congress and began my service on the committee before which I had testified, I found Jim Cleveland to be all that I had found him before—witty, hard working, perceptive—and much more. Beneath that crusty New Hampshire exterior there lurked a truly good human being, one who deeply enjoyed his work here in Congress, who cared about the products of his committee and his House—and the only Member I ever knew to rise and speak in opposition to a bill—entirely in verse.

As wise as he was witty, Jim Cleveland taught this freshman legislator at least as much as did anyone else in the 96th Congress. I am delighted to join the other Members speaking today in celebration of the naming of the Federal building in Concord, N.H., after the Honorable James C. Cleveland, a name that will dignify the building in the eyes of all those who know the man. ●

#### AMERICANS EAGERLY AWAIT THE OLYMPIC COIN PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, I have made a number of pleas for the immediate enactment of the House-passed version of the Olympic coin bill. The fact that our amateur athletes need the funds they would receive from the sale of these coins as soon as possible should be reason enough to act without further delay. However, there is another very practical consideration: Thousands of Americans are eager to purchase the coins now.

Any good businessman knows the importance of consumer interest in the sale of goods. If the product is not available when the demand is great, the purchaser often becomes disgruntled by the delay and takes his business elsewhere. Each day that we force these people to wait by delaying the final enactment of this bill, we run the risk of losing valuable customers. And this is a double-edged sword: The delay frustrates the American consumer and, as a result, causes our amateur athletes to lose huge sums of money.

The entire purpose of striking Olympic commemorative coins is to raise money for our athletes. When the House of Representatives endorsed my Olympic coin proposal by a margin of 302 to 84, it was a vote to have all of the proceeds from the sale of these coins go to the Olympic committees. This plan calls for the minting of two silver dollars and one gold \$10 coin to be sold directly to the public by the Mint. Under the rival plan, the profits would have been split between the athletes and the private marketers. By eliminating the private marketers, my proposal avoids both excessive profiteering and the prospect of scandal. The coins will be reasonably priced, and the proceeds from their sale could be as high as \$600 million.

And make no mistake about it, Americans are interested in buying the Olympic commemorative coins called for under this proposal. I have received 10,427 pledges from Americans who would like to buy Olympic commemorative silver dollars. Mr. John Wettstein of Chippewa Falls, Wis., writes:

I support Rep. Frank Annunzio in his quest for a total of 6 coins to be sold openly by the Mint. If they are to be sold by the Mint I would order 1 of each. Otherwise, forget it.

And from Mr. Stanley Partin of Carlsbad, N. Mex.:

Congratulations on your recent victory concerning the handling of Olympic coins.

I think you are 100 percent right in favoring the Mint over private marketers. I would like to know when the coins are going to be available to the public.

Obviously, Mr. Partin opposed the rival plan which called for the minting of 17 coin designs to be sold through

private marketers who would have retained 64 percent of the profits. His feelings are shared by Mr. Harold Ewald, Jr. of Harrington Park, N.J.:

Even though I am not one of your constituents, I feel that I must write to compliment you on your intelligent, courageous and successful fight to secure all the profits from the sale of Olympic coins for our American athletes.

I watched the House proceedings on C-SPAN with growing admiration as you turned what seemed to be an initially losing substitute into a resounding victory for your position and for the American public. Please continue your good work. We need you watch-dogs to protect us from such bizarre attempted give-aways.

Mr. Richard Koons of Virginia Beach, Va., writes:

With great interest I have followed the debate in regards to the minting of coinage for the 1984 Los Angeles Olympic Games. The reason being that I firmly believe in the Olympic games and in government interest in their financial support. Considering our present economy and an uncertain job future for the next few years, I cannot see my attending the games. However, even though I may not be able to attend, I would, in some way, like to be able to say I contributed to our athletes. Also in the years to come I would like to be able to show and pass down to my children some memento of the Olympic games of 1984.

Naturally, a 17 coin set costing thousands of dollars is out of the question. Not only myself but also millions of Americans would be unable to purchase such an overwhelming set. The American public would lose an opportunity to contribute to the games, but most importantly, our athletes would be the biggest losers for they would not receive the benefit of the funding.

I would prefer an affordable commemorative coin as a memento that I can pass onto future generations.

Thanks to the overwhelming mandate of the House of Representatives, Mr. Koons may be able to purchase a single, affordable silver dollar. All that is needed for the House-passed version of S. 1230 to become law is the approval of the full Congress and the signature of the President. As soon as these final steps are taken, these Americans can begin buying coins—and our athletes can begin receiving money. Until then, both will have to wait.

#### PORTUGUESE AMERICAN DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. FRANK) is recognized for 5 minutes.

● Mr. FRANK. Mr. Speaker, today I am proudly introducing a resolution designating June 10, 1982, as "Portuguese American Day." This designation would correspond to a similar declaration made by the Commonwealth of Massachusetts setting aside June 10 as "Portugal Day" in the Commonwealth.

I am pleased to be joined in sponsoring this resolution by a distinguished



Portuguese American, the gentleman from California, TONY COELHO.

The Portuguese community in the United States has a long and very rich history. Portuguese first came to North America in the 16th century and in fact, Portuguese explorers, the Corte Real brothers, landed near what is now Fall River, Mass., even before the Pilgrims. In addition, another Portuguese explorer, Juan Cabrillo, discovered California in 1542. The first large-scale Portuguese immigration into the United States after the Revolutionary War occurred in 1820; many thousands more arrived via whaling ships during the 19th century. With almost 150,000 immigrants arriving in the last 25 years, the Portuguese American community now numbers approximately 3 million strong. Clearly, this is a growing and vibrant community.

Portuguese Americans have made significant and lasting contributions to our Nation's history. One of the founders of the New York Stock Exchange, Benjamin Mendes Seixas, was the son of a Portuguese immigrant, Isaac Seixas. The first American to be killed in World War I, Walter Goulart, was of Portuguese ancestry. Benjamin Cardozo, one of the greatest Supreme Court Justices in our history, was Portuguese. John Philip Sousa, the famous composer; John Dos Passos, the author; Billy Martin, the baseball manager; and Robert le Roy Ripley, the founder of "Ripley's Believe It or Not" are all Portuguese Americans. Humberto Cardinal Medeiros of the Archdiocese of Boston is also of Portuguese extraction.

Mr. Speaker, I am also proud to say that the first Portuguese American to have served in this body, the Honorable Frank B. Oliveira, came from my home State of Massachusetts. In addition, the first Portuguese school in the United States was founded in 1910 in Fall River, in the Santo Christo Parish. The southeastern portion of Massachusetts, of which the newly created fourth congressional district is a part, has one of the largest populations of Portuguese Americans in the country. Their contributions to the growth and vitality of Massachusetts have been tremendously important.

I ask my colleagues to take a moment to reflect upon the importance of ethnic heritage in the makeup of this great Nation. The Portuguese American community has a history of which to be proud and I hope that the introduction and passage of this resolution will provide recognition of their very important contributions and accomplishments.

A copy of the resolution follows.

H.J. RES. 501

Whereas since the 16th century a large number of individuals of Portuguese origin have immigrated to, and have become productive citizens of, the United States;

Whereas these Portuguese Americans have made significant and enduring contributions to the United States, such as the musical contributions of noted patriotic composer John Phillip Sousa;

Whereas the accomplishments and values of Portuguese Americans continue to enhance the principles of the constitution of the United States; and

Whereas all Americans should recognize the contributions which Portuguese Americans have made to United States: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 10, 1982, is designated as "Portuguese American Day," and the people of the United States are called upon to observe such day with appropriate activities and ceremonies.●*

#### REPEAL OF TAX BREAK FOR MEMBERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HIGHTOWER) is recognized for 5 minutes.

Mr. HIGHTOWER. Mr. Speaker, late last year this Congress passed legislation that included a substantial tax deduction for Members of Congress. The bill removed the \$3,000 ceiling on the amount that Members could deduct for expenses incurred while living in Washington, and the result, retroactive to the 1981 tax year, gave Members of Congress thousands of dollars of unverified tax deductions which had been unavailable to them.

This tax deduction issue was badly handled by the Congress from beginning to end, and is properly resented by the American people. There are some who point out that this legislation only makes available to Members of Congress what is already available to American businessmen. It is true that businessmen can deduct certain away-from-home expenses as business expenses, and Congress should be treated the same way. The businessman, however, must itemize and justify such deductions, a requirement that was omitted by the congressional version.

I think it is highly inappropriate for Congress to continue to keep on the books what amounts to a windfall tax break for itself when the rest of the Nation is being called on to sacrifice.

Early this year, I cosponsored legislation that would repeal the tax break, and I signed the discharge petition to force the bill out of the Ways and Means Committee and onto the floor for a vote. I urge my colleagues to walk up to the Clerk's desk and sign this discharge petition as well. Whether you favor total repeal of the tax break or some modification of it, sign the discharge petition so that we can get the matter out for discussion and settled once and for all.

#### INTRODUCTION OF WILDERNESS PROTECTION ACT OF 1982

(Mr. LUJAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. LUJAN. Mr. Speaker, I am happy to join today with my colleagues, Mr. SEIBERLING, Mr. CLAUSEN, Mr. UDALL, Mr. LAGOMARSINO, Mr. WILLIAMS of Montana, Mr. PASHAYAN, Mrs. BYRON, Mr. BEREUTER, and Mr. KOGOVSEK, in today introducing legislation which we believe will resolve for once and for all the issue of mineral leasing and development in wilderness and wilderness candidate areas.

Over the past year and a half, Congress, and particularly the Committee on Interior and Insular Affairs, has been immersed in the debate over mineral leasing and development in wilderness and wilderness candidate areas. Public concern over this issue commenced early in 1981 when the Forest Service considered issuing permits for seismic exploration involving the use of explosives in the Bob Marshall Wilderness in Montana, and heightened during the course of that year when leasing recommendations were developed for wilderness area in California, Washington, Wyoming and Arkansas. The furor continued when three leases were actually granted in the Capitan Mountains Wilderness in New Mexico and it was further revealed that there are currently some 1,000 lease applicants pending covering approximately 3 million acres of existing wilderness areas. In addition, hundreds of more applications involving an untold number of acres are pending in areas being considered by Congress or the Forest Service for addition to the wilderness system. In almost every case to date where mineral leasing or development has been proposed in wilderness or wilderness candidate areas, the public reaction has been strong and overwhelmingly opposed to leasing and development.

Given this set of circumstances, one would think that the Government would simply refuse to issue leases in wilderness and wilderness candidate areas. However, matters are not that simple. Whereas some believe that the Secretary of the Interior has ample discretion under existing law to refuse to issue mineral leases in wilderness areas, the legal community is divided as to whether lease applications can be rejected simply because an area is in wilderness or under consideration for wilderness. In particular, both the Departments of the Interior and Agriculture interpret the law as to deny them discretion to turn down lease applications based solely on wilderness grounds. To give Congress time to address the issues, Secretary Watt has placed a moratorium on leasing until the end of 1982 and has suggested that Congress amend the law if it wishes to

clearly enunciate a policy against mineral leasing in wilderness and wilderness candidate areas. Our bill does precisely that. Several other bills and one resolution have been introduced in Congress addressing the subject in various ways.

The bill we are introducing today responds to voluminous mail and testimony received from over 500 individual witnesses at the nine public hearings on the wilderness/mineral leasing issue held by the House Subcommittee on Public Lands and National Parks since last fall. From those hearings we were able to discern four basic principles:

The public appears to oppose almost unanimously mineral leasing and development in wilderness.

There is overwhelming public opposition to seismic activities involving the use of explosives in designated wilderness areas.

Areas under consideration for addition to the wilderness system should not be leased until congressional or Forest Service planning processes and/or reviews of wilderness potential and suitability are completed, and an area is judged unsuitable for wilderness.

The controversial and divisive issue of "release" language should not be included in legislation dealing with the subject of mineral leasing.

These basic principles form the core of our bill and speak for themselves. In drafting the legislation we also recognized a need for allowing nondestructive mineral inventories of wilderness and wilderness candidate areas; a need for some sort of authority for the President, with the concurrence of Congress, to allow withdrawn areas to be opened for development in cases of urgent national need; and a need to honor valid existing rights. These provisions can be found in sections 4, 5, and 6 of the bill.

Because of the numerous bills and suggestions that were presented to the committee and considered in the drafting of our bill, we believe it is also important to note what the bill does not do.

Although the hearings revealed considerable public support for a mining law withdrawal, the bill does not in any way affect or alter existing law insofar as access to wilderness or wilderness candidate areas for purposes of "hardrock" mining exploration and development under the 1872 mining law is concerned. Thus, exploration for, and development of, so-called strategic minerals such as cobalt, chromium, manganese, nickel and tungsten is not affected by the bill. "Hardrock" minerals will continue to be governed by existing laws, including the 1872 mining law and the Wilderness Act.

The bill does not withdraw the 24 million acres of BLM wilderness study areas. Despite a preponderance of tes-

timony in favor of withdrawing these BLM lands, we believe they should continue to be administered and protected as required under the interim wilderness study management provisions of the Federal Land Policy and Management Act of 1976 (FLPMA). These interim management provisions have been labored over for some 6 years now and have been the subject of repeated revisions, refinements and legal opinions. While we may not all agree with various provisions of the current interim management policies, we believe statutory revision at this time would only create new uncertainties and interfere with ongoing administrative and judicial actions to interpret the law and develop a coherent set of interim management regulations and policies.

The bill does not contain so-called "release" language. In rejecting release language in the bill not only are we responding to overwhelming public testimony opposing linkage of the release and wilderness/leasing issues, but we are also recognizing that release is nongermane to the wilderness/leasing question. For one thing, the wilderness/leasing debate centers around the issue of whether mineral leasing for oil, gas, coal, geothermal and other mineral potential should be allowed in wilderness or wilderness candidate areas on which a wilderness/nonwilderness decision has not yet been made. The release issue, however, goes far beyond this relatively simple question, and speaks to the opening of lands determined unsuitable as wilderness for timber harvest, road construction, water project development, intensive grazing development, and other development uses. Further, because release only speaks to the development side of the wilderness equation, we believe it necessarily must be incorporated only in legislation which at the same time designates wilderness \* \* \* and the leasing moratorium imposed by Secretary Watt does not allow time to develop consensus wilderness designation/wilderness release bills on a State-by-State or regional basis.

Finally, we have noted that the release issue has become so controversial, particularly as it relates to the question of whether Forest Service planners can reconsider and study wilderness as a possible land use in the future, that its inclusion in a bill dealing with mineral leasing in wilderness could fatally impair chances of the bill's passage prior to the expiration of Secretary Watt's leasing moratorium. This would leave the Secretary without the official guidance he has requested from Congress, and would raise the possibility that Congress might have to resort to use of its emergency withdrawal authority under section 204(e) of FLPMA, or other measures, to block any unde-

sired leasing. We feel legislative resolution of the problem is far preferable, and do not wish to see legislation to implement the public consensus against leasing fail over the unrelated issues of timber harvest and future forest planning procedures. The release controversy can, and should be resolved separately in the context of statewide or regional RARE II bills, as it was in the last Congress in Alaska, Colorado, and New Mexico.

In summary, Mr. Speaker, we believe our bill represents a reasonable compromise on the wilderness/leasing issue. It permanently protects existing wilderness from the adverse impacts of mineral leasing and development and insures that the wilderness character of areas under consideration for addition to the national wilderness preservation system will not be impaired by mineral leasing and development until either Forest Service or congressional wilderness evaluations are completed. While it does not protect as many areas and acres as some conservation groups might wish, and does not address industry concerns for timber development and amended forest planning procedures, we believe it is a logical approach which responds to the major concerns expressed by the public. We would urge our colleagues to join us in cosponsoring this bipartisan approach to a sensitive problem.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BREAU) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 15 minutes, today.  
Mr. ANNUNZIO, for 5 minutes, today.  
Mr. COELHO, for 5 minutes, today.  
Mr. FRANK, for 5 minutes, today.  
Mr. HIGHTOWER, for 5 minutes, today.  
Mr. BEDELL, for 10 minutes, today.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CRAIG) and to include extraneous matter:)

Mr. GINGRICH.  
Mr. MCKINNEY.  
Mr. HOPKINS.  
Mr. McGRATH.  
Mr. BEREUTER in two instances.  
Mr. LUNGEN.  
Mr. MICHEL in two instances.  
Mr. DAUB.  
Mr. McDADE.



Mr. YOUNG of Florida in 10 instances.

Mr. BROOMFIELD.  
Mr. WILLIAMS of Ohio.  
Mr. LEWIS.  
Mr. DUNCAN in two instances.  
Mr. LEACH of Iowa.  
Mr. GILMAN.  
Mr. EVANS of Delaware.  
Mr. ROTH.  
Mr. HAGEDORN.  
Mr. PORTER.  
Mr. EMERY.

(The following Members (at the request of Mr. BREAUX) and to include extraneous matter:)

Mr. DE LUGO in two instances.  
Mr. HOWARD.  
Mr. SOLARZ in two instances.  
Mr. ROE in two instances.  
Mr. REUSS.  
Mr. AU COIN in two instances.  
Mr. MAZZOLI.  
Mrs. BYRON.  
Mr. HUBBARD.  
Mr. SANTINI.  
Mr. FLIPPO.  
Mr. NEAL.  
Mr. BIAGGI in two instances.

#### SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 131. Joint resolution designating "National Theatre Week";  
S.J. Res. 140. Joint resolution designating February 11, 1983, "National Inventors' Day"; and  
S.J. Res. 149. Joint resolution to designate the week of June 6, 1982, through June 12, 1982, as "National Child Abuse Prevention Week."

#### ADJOURNMENT

Mr. HIGHTOWER. Mr. Speaker, I move that the House do now adjourn. The motion was agreed to; accordingly (at 2 o'clock and 50 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 9, 1982, at 10 a.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

4109. Under clause 2 of rule XXIV, a letter from the Assistant Attorney General, U.S. Department of Justice, transmitting a draft of proposed legislation to provide for and encourage criminal justice research and demonstration programs and the collection and analysis of statistical information concerning crime, and for other purposes, was taken from the Speaker's table and referred to the Committee on the Judiciary.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolu-

tions were introduced and severally referred as follows:

By Mr. HAGEDORN:

H.R. 6541. A bill to expand exports of U.S. agricultural commodities, develop commercial markets for such commodities, promote the foreign policy of the United States, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. LUJAN (for himself, Mr. SEIBERLING, Mr. CLAUSEN, Mr. UDALL, Mr. LAGOMARSINO, Mr. WILLIAMS of Montana, Mr. PASHAYAN, Mrs. BYRON, Mr. BEREUTER, and Mr. KOGOVSEK):

H.R. 6542. A bill to withdraw certain lands from mineral leasing, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN:

H.R. 6543. A bill to suspend for 2 years the duty on parts of stepper motors; to the Committee on Ways and Means.

By Mr. FRANK (for himself and Mr. COELHO):

H.J. Res. 501. Joint resolution to designate June 10, 1982, as "Portuguese American Day"; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.J. Res. 502. Joint resolution to provide for the designation of the 41st anniversary of the renewal of Ukrainian Independence, June 30, 1982, as "Ukrainian Independence Day"; to the Committee on Post Office and Civil Service.

By Mr. MOFFETT (for himself, Mrs. SNOWE, Mr. WYDEN, Mr. FAUNTROY, Mr. MATSUI, and Mrs. CHISHOLM):

H. Con. Res. 354. Concurrent resolution expressing the sense of Congress respecting maintaining existing regulations assuring nursing home compliance with medicare health and safety requirements; jointly to the Committees on Ways and Means and Energy and Commerce.

By Mr. YATES:

H. Res. 493. Resolution to disapprove the land acquisition, U.S. Fish and Wildlife Service deferral; to the Committee on Appropriations.

H. Res. 494. Resolution to disapprove the construction and anadromous fish deferral; to the Committee on Appropriations.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS:

H.R. 6544. A bill for the relief of Harry W. McKee; to the Committee on the Judiciary.

By Mr. FAZIO:

H.R. 6545. A bill for the relief of Margaret Patricia Lind; to the Committee on the Judiciary.

#### ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3252: Mr. DAVIS and Mr. HERTEL.  
H.R. 4147: Mr. LUKE, Mr. ANDERSON, and Mr. DUNN.

H.R. 4975: Mr. DAVIS, Mr. SHUMWAY, Mr. DUNN, and Mr. McCLOSKEY.

H.R. 5133: Mr. HAWKINS, Mr. PHILLIP BURTON, Mr. BIAGGI, Mr. CLINGER, and Mr. WIRTH.

H.R. 5147: Mr. ERTHEL.

H.R. 5192: Mr. EVANS of Delaware, Mr. GOODLING, Mr. HOLLAND, Mr. KAZEN, Mr. ROBERTS of South Dakota, Mr. ROEMER, Mr. SHELBY, Mr. STOKES, Mr. VANDER JAGT, and Mr. GEPHARDT.

H.R. 5211: Mr. NEAL.

H.R. 5449: Mr. OXLEY, Mr. DOWNEY, Mr. PORTER, Mr. WEBER of Ohio, Mr. LOWERY of California, Mr. FORSYTHE, Mr. GORE, Mr. ROEMER, Mr. BARNARD, Mr. LONG of Maryland, Mr. PEPPER, Mr. WALKER, Mr. YATRON, Mr. FAZIO, Mr. WEAVER, Mrs. CHISHOLM, Mr. YOUNG of Florida, Mr. MINETA, Mr. VENTO, Mr. ROE, Mr. HYDE, Mr. BARNES, Mr. BADHAM, Mrs. COLLINS of Illinois, Mr. GUARINI, and Mr. NEAL.

H.R. 5573: Mr. FORSYTHE, Mr. DICKS, Mr. ALBOSTA, Mr. LONG of Louisiana, Mr. SANTINI, Mr. TRAXLER, Mrs. ROUKEMA, Mr. MITCHELL of New York, and Mr. DAVIS.

H.R. 5762: Mr. SCHEUER.

H.R. 5833: Mr. STANTON of Ohio.

H.R. 5959: Mr. BAILEY of Pennsylvania.

H.R. 5995: Ms. MIKULSKI, Mr. SCHEUER, Mr. NEAL, Mr. WAXMAN, Mr. WYDEN, Mrs. ROUKEMA, Mr. DOWNEY, Mr. AKAKA, Mr. PEYSER, Mr. MATSUI, Mr. GEJDENSON, and Mr. LANTOS.

H.R. 6070: Mr. WEAVER.

H.R. 6239: Mr. HYDE, Mrs. KENNELLY, Mr. JAMES K. COYNE, Mr. D'AMOURS, Mr. HORTON, Mr. MILLER of California, Mr. LUNDINE, Mr. MARRIOTT, Mr. MOTT, Ms. OAKAR, Mr. SCHULZE, and Mr. COELHO.

H.R. 6315: Mr. KASTENMEIER.

H.R. 6321: Mr. KOGOVSEK, Mr. McGRATH, and Mrs. ROUKEMA.

H.R. 6461: Mr. DYSON.

H.J. Res. 172: Mr. KRAMER and Mr. BENNETT.

H.J. Res. 456: Mr. SUNIA, Mr. ROE, Mr. FAUNTROY, Mr. HATCHER, Mr. HALL of Ohio, Mr. MURTHA, Mr. WON PAT, Mr. HUGHES, Mr. SNYDER, Mr. HEFNER, Mr. WEISS, Mr. LANTOS, Mr. LOTT, Mr. DENARDIS, Mr. LEVITAS, Mr. WALKER, Mr. MADIGAN, Mr. FLIPPO, Mr. DUNCAN, Mr. MONTGOMERY, Mr. QUILLEN, Mr. FORSYTHE, Mr. DOWNEY, Mr. VENTO, Mr. RINALDO, Mr. MARRIOTT, and Mr. PERKINS.

H. Con. Res. 278: Mr. WEBER of Ohio, Mr. NOWAK, Mr. PHILLIP BURTON, Mr. COUGHLIN, Mr. BRINKLEY, Mr. MARRIOTT, and Mr. HARKIN.

H. Con. Res. 311: Mr. OTTINGER.

H. Con. Res. 335: Mrs. ROUKEMA, Mr. VENTO, and Mrs. MARTIN of Illinois.

H. Con. Res. 341: Mr. GIBBONS, Mr. QUILLEN, Mr. FRANK, Mrs. BOUQUARD, Mr. DICKS, Mr. SMITH of Pennsylvania, Mr. SHELBY, Mr. STANGELAND, Mr. FORSYTHE, Mr. LAGOMARSINO, Mr. DASCHLE, Mr. ALBOSTA, Mr. WYDEN, Mr. LANTOS, Mr. ROE, Mr. RAHALL, Mr. WEBER of Ohio, Mr. MCKINNEY, Mr. SOLOMON, Mr. KILDEE, Mr. OTTINGER, Mr. MATSUI, Mr. WEAVER, Mr. HOYER, and Mr. IRELAND.

H. Res. 371: Mr. McDADE and Mr. MILLER of Ohio.

#### DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 5705: Mr. BENEDICT.

H. Con. Res. 297: Mr. GREGG.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

## H. CON. RES. 352

By Mr. JONES of Oklahoma:

(Amendment in the nature of a substitute.)

—Strike all after the resolving clause and insert in lieu thereof the following:

## TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SECTION 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

SEC. 102. (a)(1) The level of Federal revenues is \$627,000,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is \$200,000,000;

(2) The level of total new budget authority is \$785,850,000,000;

(3) The level of total budget outlays is \$745,050,000,000;

(4) The amount of the deficit in the budget is \$118,050,000,000;

(5) The level of the public debt is \$1,143,100,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is \$63,300,000,000; and

(6) The level of total gross obligations for the principal amount of direct loans is \$61,200,000,000, and the level of total new primary commitments to guarantee loan principal is \$99,100,000,000, and the level of total new secondary commitments to guarantee loan principal is \$68,250,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate levels of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):  
(A) New budget authority, \$218,200,000,000;

(B) Outlays, \$190,800,000,000.

(2) International Affairs (150):

(A) New budget authority, \$16,750,000,000;

(B) Outlays, \$11,450,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, \$7,000,000,000;

(B) Outlays, \$7,000,000,000.

(4) Energy (270):

(A) New budget authority, \$4,750,000,000;

(B) Outlays, \$6,500,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, \$10,400,000,000;

(B) Outlays, \$12,850,000,000.

(6) Agriculture (350):

(A) New budget authority, \$9,900,000,000;

(B) Outlays, \$13,800,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, \$7,500,000,000;

(B) Outlays, \$3,750,000,000.

(8) Transportation (400):

(A) New budget authority, \$21,350,000,000;

(B) Outlays, \$21,450,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, \$7,000,000,000;

(B) Outlays, \$8,650,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, \$25,950,000,000;

(B) Outlays, \$28,500,000,000.

(11) Health (550):

(A) New budget authority, \$79,050,000,000;

(B) Outlays, \$73,750,000,000.

(12) Income Security (600):

(A) New budget authority, \$261,350,000,000;

(B) Outlays, \$251,850,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, \$24,800,000,000;

(B) Outlays, \$23,800,000,000.

(14) Administration of Justice (750):

(A) New budget authority, \$4,500,000,000;

(B) Outlays, \$4,650,000,000.

(15) General Government (800):

(A) New budget authority, \$5,200,000,000;

(B) Outlays, \$5,050,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, \$6,350,000,000;

(B) Outlays, \$6,350,000,000.

(17) Interest (900):

(A) New budget authority, \$102,200,000,000;

(B) Outlays, \$102,200,000,000.

(18) Allowances (920):

(A) New budget authority, \$3,850,000,000;

(B) Outlays, \$2,900,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, \$30,250,000,000;

(B) Outlays, \$30,250,000,000.

SEC. 103. (a) There is established a congressional Federal credit budget for fiscal year 1982 of which the levels of total Federal credit activity for fiscal year 1982 are:

(1) New direct loan obligations, \$63,400,000,000.

(2) New primary loan guarantee commitments, \$74,850,000,000.

(3) New secondary loan guarantee commitments, \$68,950,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(2) International Affairs (150):

(A) New direct loan obligations, \$10,400,000,000;

(B) New primary loan guarantee commitments, \$8,100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, \$200,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(4) Energy (270):

(A) New direct loan obligations, \$10,300,000,000;

(B) New primary loan guarantee commitments, \$400,000,000;

(C) New secondary loan guarantee commitments, \$0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, \$250,000,000;

(B) New primary loan guarantee commitments, \$300,000,000;

(C) New secondary loan guarantee commitments, \$0.

(6) Agriculture (350):

(A) New direct loan obligations, \$12,050,000,000;

(B) New primary loan guarantee commitments, \$26,200,000,000;

(C) New secondary loan guarantee commitments, \$68,200,000,000.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, \$12,050,000,000;

(B) New primary loan guarantee commitments, \$26,200,000,000;

(C) New secondary loan guarantee commitments, \$68,200,000,000.

(8) Transportation (400):

(A) New direct loan obligations, \$350,000,000;

(B) New primary loan guarantee commitments, \$750,000,000;

(C) New secondary loan guarantee commitments, \$50,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, \$2,000,000,000;

(B) New primary loan guarantee commitments, \$850,000,000;

(C) New secondary loan guarantee commitments, \$0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, \$1,300,000,000;

(B) New primary loan guarantee commitments, \$6,500,000,000;

(C) New secondary loan guarantee commitments, \$700,000,000.

(11) Health (550):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(12) Income Security (600):

(A) New direct loan obligations, \$2,750,000,000;

(B) New primary loan guarantee commitments, \$17,050,000,000;

(C) New secondary loan guarantee commitments, \$0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, \$1,050,000,000;

(B) New primary loan guarantee commitments, \$11,900,000,000;

(C) New secondary loan guarantee commitments, \$0.

(14) Administration of Justice (750):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(15) General Government (800):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, \$250,000,000;

(B) New primary loan guarantee commitments, \$300,000,000;

(C) New secondary loan guarantee commitments, \$0.

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(6) Agriculture (350):

(A) New direct loan obligations, \$22,600,000,000;

(B) New primary loan guarantee commitments, \$2,700,000,000;

(C) New secondary loan guarantee commitments, \$0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, \$12,050,000,000;

(B) New primary loan guarantee commitments, \$26,200,000,000;

(C) New secondary loan guarantee commitments, \$68,200,000,000.

(8) Transportation (400):

(A) New direct loan obligations, \$350,000,000;

(B) New primary loan guarantee commitments, \$750,000,000;

(C) New secondary loan guarantee commitments, \$50,000,000.

(9) Community and Regional Development (450):

(A) New direct loan obligations, \$2,000,000,000;

(B) New primary loan guarantee commitments, \$850,000,000;

(C) New secondary loan guarantee commitments, \$0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, \$1,300,000,000;

(B) New primary loan guarantee commitments, \$6,500,000,000;

(C) New secondary loan guarantee commitments, \$700,000,000.

(11) Health (550):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(12) Income Security (600):

(A) New direct loan obligations, \$2,750,000,000;

(B) New primary loan guarantee commitments, \$17,050,000,000;

(C) New secondary loan guarantee commitments, \$0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, \$1,050,000,000;

(B) New primary loan guarantee commitments, \$11,900,000,000;

(C) New secondary loan guarantee commitments, \$0.

(14) Administration of Justice (750):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(15) General Government (800):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, \$250,000,000;

(B) New primary loan guarantee commitments, \$300,000,000;

(C) New secondary loan guarantee commitments, \$0.



(C) New secondary loan guarantee commitments, \$0.

(17) Interest (900):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(18) Allowances (920):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed \$30,200,000,000, the on-budget lending activity to a level not to exceed \$33,200,000,000, new primary loan guarantee commitments to a level not to exceed \$74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed \$68,950,000,000.

#### TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983, 1984, AND 1985

SEC. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is \$676,700,000,000 and the net amount by which the aggregate level of Federal revenues should be increased is \$31,700,000,000;

(2) the level of total new budget authority is \$836,200,000,000;

(3) the level of total budget outlays is \$784,150,000,000;

(4) the amount of the deficit in the budget is \$107,450,000,000; and

(5) the level of the public debt is \$1,290,200,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is \$890,200,000,000.

SEC. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, \$242,850,000,000;

(B) Outlays, \$212,300,000,000.

(2) International Affairs (150):

(A) New budget authority, \$16,450,000,000;

(B) Outlays, \$12,100,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, \$8,150,000,000;

(B) Outlays, \$7,750,000,000.

(4) Energy (270):

(A) New budget authority, \$5,000,000,000;

(B) Outlays, \$4,700,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, \$9,650,000,000;

(B) Outlays, \$11,000,000,000.

(6) Agriculture (350):

(A) New budget authority, \$12,000,000,000;

(B) Outlays, \$10,150,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, \$8,050,000,000;

(B) Outlays, \$3,050,000,000.

(8) Transportation (400):

(A) New budget authority, \$22,300,000,000;

(B) Outlays, \$20,400,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, \$7,000,000,000;

(B) Outlays, \$7,900,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, \$28,700,000,000;

(B) Outlays, \$27,900,000,000.

(11) Health (550):

(A) New budget authority, \$77,300,000,000;

(B) Outlays, \$80,850,000,000.

(12) Income Security (600):

(A) New budget authority, \$285,000,000,000;

(B) Outlays, \$275,950,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, \$24,400,000,000;

(B) Outlays, \$23,650,000,000.

(14) Administration of Justice (750):

(A) New budget authority, \$4,600,000,000;

(B) Outlays, \$4,650,000,000.

(15) General Government (800):

(A) New budget authority, \$5,000,000,000;

(B) Outlays, \$4,850,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, \$6,500,000,000;

(B) Outlays, \$6,500,000,000.

(17) Interest (900):

(A) New budget authority, \$114,850,000,000;

(B) Outlays, \$114,850,000,000.

(18) Allowances (920):

(A) New budget authority, —\$950,000,000;

(B) Outlays, —\$750,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, —\$43,650,000,000;

(B) Outlays, —\$43,650,000,000.

SEC. 203 (a). There is established a congressional Federal credit budget for fiscal year 1983 of which the levels of total Federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, \$61,200,000,000.

(2) New primary loan guarantee commitments, \$99,100,000,000.

(3) New secondary loan guarantee commitments, \$68,250,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(2) International Affairs (150):

(A) New direct loan obligations, \$11,150,000,000;

(B) New primary loan guarantee commitments, \$8,950,000,000;

(C) New secondary loan guarantee commitments, \$0.

(3) General Science, Space, and Technology (250):

(A) New direct loan obligations, \$150,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(4) Energy (270):

(A) New direct loan obligations, \$11,950,000,000;

(B) New primary loan guarantee commitments, —\$850,000,000;

(C) New secondary loan guarantee commitments, \$0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(6) Agriculture (350):

(A) New direct loan obligations, \$19,150,000,000;

(B) New primary loan guarantee commitments, \$2,650,000,000;

(C) New secondary loan guarantee commitments, \$0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, \$12,150,000,000;

(B) New primary loan guarantee commitments, \$40,100,000,000;

(C) New secondary loan guarantee commitments, \$68,250,000,000.

(8) Transportation (400):

(A) New direct loan obligations, \$350,000,000;

(B) New primary loan guarantee commitments, \$750,000,000;

(C) New secondary loan guarantee commitments, \$0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, \$1,950,000,000;

(B) New primary loan guarantee commitments, \$500,000,000;

(C) New secondary loan guarantee commitments, \$0.

(10) Education, Training, Employment, and Social Services (500):

(A) New direct loan obligations, \$850,000,000;

(B) New primary loan guarantee commitments, \$7,250,000,000;

(C) New secondary loan guarantee commitments, \$0.

(11) Health (550):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(12) Income Security (600):

(A) New direct loan obligations, \$2,050,000,000;

(B) New primary loan guarantee commitments, \$18,700,000,000;

(C) New secondary loan guarantee commitments, \$0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, \$1,050,000,000;

(B) New primary loan guarantee commitments, \$20,950,000,000;

(C) New secondary loan guarantee commitments, \$0.

(14) Administration of Justice (750):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(15) General Government (800):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, \$250,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(17) Interest (900):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee, commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(18) Allowances (920):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee, commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed \$31,050,000,000, the on-budget lending activity to a level not to exceed \$30,150,000,000, new primary loan guarantee commitments to a level not to exceed \$99,100,000,000, and new secondary loan guarantee commitments to a level not to exceed \$68,250,000,000.

Sec. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: \$753,650,000,000;

Fiscal year 1985: \$846,550,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:

Fiscal year 1984: \$51,650,000,000;

Fiscal year 1985: \$66,550,000,000.

(2) the level of total new budget authority is as follows:

Fiscal year 1984: \$891,900,000,000;

Fiscal year 1985: \$957,700,000,000.

(3) the level of total budget outlays is as follows:

Fiscal year 1984: \$832,050,000,000;

Fiscal year 1985: \$888,450,000,000.

(4) the amount of the deficit in the budget is:

Fiscal year 1984: \$78,400,000,000;

Fiscal year 1985: \$41,900,000,000.

(5) the level of the public debt is as follows:

Fiscal year 1984: \$1,426,600,000,000;

Fiscal year 1985: \$1,551,100,000,000;

and the amount by which the statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: \$1,026,600,000,000;

Fiscal year 1985: \$1,151,100,000,000.

Sec. 205. Based on allocations of the appropriate level of total new budget author-

ity and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, \$268,750,000,000;

(B) Outlays, \$235,950,000,000.

Fiscal year 1985:

(A) New budget authority, \$297,050,000,000;

(B) Outlays, \$267,050,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, \$16,800,000,000;

(B) Outlays, \$12,400,000,000.

Fiscal year 1985:

(A) New budget authority, \$21,200,000,000;

(B) Outlays, \$12,350,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, \$8,300,000,000;

(B) Outlays, \$8,100,000,000.

Fiscal year 1985:

(A) New budget authority, \$8,100,000,000;

(B) Outlays, \$8,050,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, \$4,400,000,000;

(B) Outlays, \$3,750,000,000.

Fiscal year 1985:

(A) New budget authority, \$4,350,000,000;

(B) Outlays, \$3,550,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, \$9,000,000,000;

(B) Outlays, \$10,050,000,000.

Fiscal year 1985:

(A) New budget authority, \$8,600,000,000;

(B) Outlays, \$9,100,000,000.

(6) Agriculture (350):

Fiscal year 1984:

(A) New budget authority, \$8,550,000,000;

(B) Outlays, \$8,400,000,000.

Fiscal year 1985:

(A) New budget authority, \$7,000,000,000;

(B) Outlays, \$7,650,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1984:

(A) New budget authority, \$8,650,000,000;

(B) Outlays, \$2,750,000,000.

Fiscal year 1985:

(A) New budget authority, \$8,350,000,000;

(B) Outlays, \$2,600,000,000.

(8) Transportation (400):

Fiscal year 1984:

(A) New budget authority, \$22,400,000,000;

(B) Outlays, \$20,050,000,000.

Fiscal year 1985:

(A) New budget authority, \$22,950,000,000;

(B) Outlays, \$20,250,000,000.

(9) Community and Regional Development (450):

Fiscal year 1984:

(A) New budget authority, \$7,150,000,000;

(B) Outlays, \$7,600,000,000.

Fiscal year 1985:

(A) New budget authority, \$7,350,000,000;

(B) Outlays, \$7,700,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1984:

(A) New budget authority, \$28,750,000,000;

(B) Outlays, \$29,000,000,000;

Fiscal year 1985:

(A) New budget authority, \$28,800,000,000;

(B) Outlays, \$28,750,000,000;

(11) Health (550):

Fiscal year 1984:

(A) New budget authority, \$81,900,000,000;

(B) Outlays, \$90,650,000,000;

Fiscal year 1985:

(A) New budget authority, \$94,250,000,000;

(B) Outlays, \$102,450,000,000;

(12) Income Security (600):

Fiscal year 1984:

(A) New budget authority, \$315,050,000,000;

(B) Outlays, \$291,700,000,000;

Fiscal year 1985:

(A) New budget authority, \$345,350,000,000;

(B) Outlays, \$314,550,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1984:

(A) New budget authority, \$25,650,000,000;

(B) Outlays, \$24,900,000,000;

Fiscal year 1985:

(A) New budget authority, \$26,700,000,000;

(B) Outlays, \$26,500,000,000.

(14) Administration of Justice (750):

Fiscal year 1984:

(A) New budget authority, \$4,600,000,000;

(B) Outlays, \$4,600,000,000.

Fiscal year 1985:

(A) New budget authority, \$4,600,000,000;

(B) Outlays, \$4,600,000,000.

(15) General Government (800):

Fiscal year 1984:

(A) New budget authority, \$4,700,000,000;

(B) Outlays, \$4,600,000,000.

Fiscal year 1985:

(A) New budget authority, \$4,700,000,000;

(B) Outlays, \$4,500,000,000.

(16) General Purpose Fiscal Assistance (850):

Fiscal year 1984:

(A) New budget authority, \$6,750,000,000;

(B) Outlays, \$6,700,000,000.

Fiscal year 1985:

(A) New budget authority, \$6,850,000,000;

(B) Outlays, \$6,850,000,000.

(17) Interest (900):

Fiscal year 1984:

(A) New budget authority, \$119,650,000,000;

(B) Outlays, \$119,650,000,000.

Fiscal year 1985:

(A) New budget authority, \$111,700,000,000;

(B) Outlays, \$111,700,000,000.

(18) Allowances (920):

Fiscal year 1984:

(A) New budget authority, \$350,000,000;

(B) Outlays, \$700,000,000.

Fiscal year 1985:

(A) New budget authority, \$650,000,000;

(B) Outlays, \$1,100,000,000.

(19) Undistributed Offsetting Receipts (950):

Fiscal year 1984:

(A) New budget authority, \$49,500,000,000;

(B) Outlays, \$49,500,000,000.

Fiscal year 1985:

(A) New budget authority, \$50,850,000,000;

(B) Outlays, \$50,850,000,000.

### TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

#### PART A—RECONCILIATION INSTRUCTIONS

Sec. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$207,000,000 and outlays by \$207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal



years requires additional savings of \$530,000,000 in budget authority and \$530,000,000 in outlays in fiscal year 1984, and \$661,000,000 in budget authority and \$661,000,000 in outlays in fiscal year 1985.

(B) the House Committee on Banking, Finance and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$0 and outlays by \$695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$0 in budget authority and \$697,000,000 in outlays in fiscal year 1984, and \$0 in budget authority and \$687,000,000 in outlays in fiscal year 1985.

(C) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$59,000,000 and outlays by \$59,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$65,000,000 in budget authority and \$65,000,000 in outlays in fiscal year 1984, and \$72,000,000 in budget authority and \$72,000,000 in outlays in fiscal year 1985.

(D) the House Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$171,000,000 and outlays by \$171,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$187,000,000 in budget authority and \$187,000,000 in outlays in fiscal year 1984, and \$195,000,000 in budget authority and \$195,000,000 in outlays in fiscal year 1985.

(E) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$334,000,000 and outlays by \$1,749,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$205,000,000 in budget authority and \$2,708,000,000 in outlays in fiscal year 1984, and \$267,000,000 in budget authority and \$3,173,000,000 in outlays in fiscal year 1985.

(F) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of the committee sufficient to increase revenue by \$31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future years requires additional revenues of \$51,650,000,000 for fiscal year 1984, and \$66,550,000,000 for fiscal year 1985. If the changes in laws reported to the House Committee on the Budget by the House Committee on Ways and Means pursuant to section 301(F) of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other Committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other Committee of the House, an appropriate referral pursuant to Rule X of the Rules of the House should be considered.

Sec. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Finance shall report changes in law within the juris-

diction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$393,000,000 and outlays by \$1,808,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$270,000,000 in budget authority and \$2,773,000,000 in outlays for fiscal years 1984, and \$239,000,000 in budget authority and \$3,245,000,000 in outlays in fiscal year 1985.

(B) the Senate Committee on Finance shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by \$31,700,000,000 for fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional revenues of \$51,650,000,000 for fiscal year 1984, and \$66,550,000,000 in fiscal year 1985.

(C) the Senate Committee on Agriculture, Nutrition, and Forestry report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$207,000,000 and outlays by \$207,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$530,000,000 in budget authority and \$530,000,000 in outlays for fiscal year 1984, and \$661,000,000 in budget authority and \$661,000,000 in outlays in fiscal year 1985.

(D) the Senate Committee on Banking, Housing, and Urban Affairs report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$90,000,000 and outlays by \$785,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$100,000,000 in budget authority and \$797,000,000 in outlays for fiscal year 1984, and \$104,000,000 in budget authority and \$791,000,000 in outlays in fiscal year 1985.

(E) the Senate Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$81,000,000 and outlays by \$81,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$87,000,000 in budget authority and \$87,000,000 in outlays for fiscal year 1984, and \$91,000,000 in budget authority and \$91,000,000 in outlays in fiscal year 1985.

Sec. 303. The committees names in sections 301(A)-(D) and 302(C)-(E) shall submit their recommendations to the Committees on the Budget of their respective Houses. Those recommendations shall be sufficient to accomplish the changes required by such subsection. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

#### DEFERRED ENROLLMENT

Sec. . (a) In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983, which exceeds the appropriate allocation or subdivision of such new discretionary

budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act.

(b) If Congress increases revenues in a trust fund exempt under section 401(d)(1)(B) of the Congressional Budget Act, then for purposes of this section, "budget authority" and "new discretionary budget authority" shall not include spending authority or budget authority derived from such trust fund, 90 percent or more of the receipts of which consist or will consist of amounts (transferred from the general fund of the Treasury) equivalent to amounts of taxes (related to the purposes for which such outlays are or will be made) received in the Treasury under specified provisions of the Internal Revenue Code of 1954. This subsection shall only apply (1) to trust funds exempt under section 401(d)(1)(B) of the Congressional Budget Act, (2) to trust funds for which revenues are increased, and (3) to the extent that such increased revenues exceed the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act.

#### 302(b) REPORT

Sec. . It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983;

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by section 302(b) of the Budget Act.

Sec. . It is the sense of the Congress that if Congress acts to restore fiscal responsibility and reduces projected budget deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complementary to a new and more restrained fiscal policy.

By Mr. LATTA:

(An amendment in the nature of a substitute.)

—Strike all after the resolving clause and insert the following:

#### TITLE I—REVISION OF THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 1982

SECTION 101. The provisions of this title shall supersede the figures reaffirmed in S. Con. Res. 50 of the Ninety-seventh Congress for the fiscal year beginning on October 1, 1981.

Sec. 102. (a)(1) The level of Federal revenues is \$628,400,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is \$200,000,000;

(2) the level of total new budget authority is \$779,300,000,000;

(3) the level of total budget outlays is \$729,200,000,000;

(4) the amount of the deficit in the budget is \$100,800,000,000;

(5) the level of the public debt is \$1,143,100,000,000, and the amount by which the temporary statutory limit on

such debt should accordingly be increased is \$63,300,000,000; and

(6) the level of total gross obligations for the principal amount of direct loans is \$63,400,000,000, and the level of total new primary commitments to guarantee loan principal is \$74,850,000,000, and the level of total new secondary commitments to guarantee loan principal is \$68,950,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of subsection (a) of this section of this resolution, the Congress hereby determines and declares that, for the fiscal year beginning on October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

- (1) National Defense (050):
  - (A) New budget authority, \$218,200,000,000;
  - (B) Outlays, \$187,500,000,000.
- (2) International Affairs (150):
  - (A) New budget authority, \$16,750,000,000;
  - (B) Outlays, \$11,450,000,000.
- (3) General Science, Space, and Technology (250):
  - (A) New budget authority, \$7,000,000,000;
  - (B) Outlays, \$7,000,000,000.
- (4) Energy (270):
  - (A) New budget authority, \$4,750,000,000;
  - (B) Outlays, \$6,500,000,000.
- (5) Natural Resources and Environment (300):
  - (A) New budget authority, \$10,400,000,000;
  - (B) Outlays, \$12,850,000,000.
- (6) Agriculture (350):
  - (A) New budget authority, \$9,900,000,000;
  - (B) Outlays, \$12,800,000,000.
- (7) Commerce and Housing Credit (370):
  - (A) New budget authority, \$7,500,000,000;
  - (B) Outlays, \$3,750,000,000.
- (8) Transportation (400):
  - (A) New budget authority, \$21,350,000,000;
  - (B) Outlays, \$21,450,000,000.
- (9) Community and Regional Development (450):
  - (A) New budget authority, \$7,000,000,000;
  - (B) Outlays, \$8,650,000,000.
- (10) Education, Training, Employment and Social Services (500):
  - (A) New budget authority, \$25,450,000,000;
  - (B) Outlays, \$28,200,000,000.
- (11) Health (550):
  - (A) New budget authority, \$79,050,000,000;
  - (B) Outlays, \$71,300,000,000.
- (12) Income Security (600):
  - (A) New budget authority, \$261,350,000,000;
  - (B) Outlays, \$249,100,000,000.
- (13) Veterans Benefits and Services (700):
  - (A) New budget authority, \$24,800,000,000;
  - (B) Outlays, \$23,800,000,000.
- (14) Administration of Justice (750):
  - (A) New budget authority, \$4,500,000,000;
  - (B) Outlays, \$4,650,000,000.
- (15) General Government (800):
  - (A) New budget authority, \$5,200,000,000;
  - (B) Outlays, \$5,050,000,000.
- (16) General Purpose Fiscal Assistance (850):
  - (A) New budget authority, \$6,350,000,000;
  - (B) Outlays, \$6,350,000,000.
- (17) Interest (900):
  - (A) New budget authority, \$99,550,000,000;
  - (B) Outlays, \$99,550,000,000.
- (18) Allowances (920):
  - (A) New budget authority, \$2,850,000,000;
  - (B) Outlays, \$1,900,000,000.
- (19) Undistributed Offsetting Receipts (950):
  - (A) New budget authority, \$-32,650,000,000;

(B) Outlays, -\$32,650,000,000.

Sec. 103. (a) There is established a congressional federal credit budget fiscal year 1982 of which the levels of total federal credit activity fiscal year 1982 are:

- (1) New direct loan obligation, \$63,400,000,000;
  - (2) New primary loan guarantee commitments, \$74,850,000,000;
  - (3) New secondary loan guarantee commitments, \$68,950,000,000.
- (b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:
- (1) National Defense (050):
    - (A) New direct loan obligations, \$0;
    - (B) New primary loan guarantee commitments, \$0;
    - (C) New secondary loan guarantee commitments, \$0.
  - (2) International Affairs (150):
    - (A) New direct loan obligations, \$10,400,000,000;
    - (B) New primary loan guarantee commitments, \$8,100,000,000;
    - (C) New secondary loan guarantee commitments, \$0.
  - (3) General Science, Space and Technology (250):
    - (A) New direct loan obligations, \$200,000,000;
    - (B) New primary loan guarantee commitments, \$0;
    - (C) New secondary loan guarantee commitments, \$0.
  - (4) Energy (270):
    - (A) New direct loan obligations, \$10,300,000,000;
    - (B) New primary loan guarantee commitments, \$400,000,000;
    - (C) New secondary loan guarantee commitments, \$0.
  - (5) Natural Resources and Environment (300):
    - (A) New direct loan obligations, \$50,000,000;
    - (B) New primary loan guarantee commitments, \$0;
    - (C) New secondary loan guarantee commitments, \$0.
  - (6) Agriculture (350):
    - (A) New direct loan obligations, \$22,600,000,000;
    - (B) New primary loan guarantee commitments, \$2,700,000,000;
    - (C) New secondary loan guarantee commitments, \$0.
  - (7) Commerce and Housing Credit (370):
    - (A) New direct loan obligations, \$12,050,000,000;
    - (B) New primary loan guarantee commitments, \$26,200,000,000;
    - (C) New secondary loan guarantee commitments, \$68,200,000,000.
  - (8) Transportation (400):
    - (A) New direct loan obligations, \$350,000,000;
    - (B) New primary loan guarantee commitments, \$750,000,000;
    - (C) New secondary loan guarantee commitments, \$50,000,000.
  - (9) Community and Regional Development (450):
    - (A) New direct loan obligations, \$2,000,000,000;
    - (B) New primary loan guarantee commitments, \$850,000,000;
    - (C) New secondary loan guarantee commitments, \$0.

(10) Education, Training, Employment and Social Services (500):

- (A) New direct loan obligations, \$1,300,000,000;
  - (B) New primary loan guarantee commitments, \$6,500,000,000;
  - (C) New secondary loan guarantee commitments, \$700,000,000.
- (11) Health (550):
- (A) New direct loan obligations, \$50,000,000;
  - (B) New primary loan guarantee commitments, \$100,000,000;
  - (C) New secondary loan guarantee commitments, \$0.
- (12) Income Security (600):
- (A) New direct loan obligations, \$2,750,000,000;
  - (B) New primary loan guarantee commitments, \$17,050,000,000;
  - (C) New secondary loan guarantee commitments, \$0.
- (13) Veterans Benefits and Services (700):
- (A) New direct loan obligations, \$1,050,000,000;
  - (B) New primary loan guarantee commitments, \$11,900,000,000;
  - (C) New secondary loan guarantee commitments, \$0.
- (14) Administration of Justice (750):
- (A) New direct loan obligations, \$0;
  - (B) New primary loan guarantee commitments, \$0;
  - (C) New secondary loan guarantee commitments, \$0.
- (15) General Government (800):
- (A) New direct loan obligations, \$50,000,000;
  - (B) New primary loan guarantee commitments, \$0;
  - (C) New secondary loan guarantee commitments, \$0.
- (16) General Purpose Fiscal Assistance (850):
- (A) New direct loan obligations, \$250,000,000;
  - (B) New primary loan guarantee commitments, \$300,000,000;
  - (C) New secondary loan guarantee commitments, \$0.
- (17) Interest (900):
- (A) New direct loan obligations, \$0;
  - (B) New primary loan guarantee commitments, \$0;
  - (C) New secondary loan guarantee commitments, \$0.
- (18) Allowances (920):
- (A) New direct loan obligations, \$0;
  - (B) New primary loan guarantee commitments, \$0;
  - (C) New secondary loan guarantee commitments, \$0.
- (19) Undistributed Offsetting Receipts (950):
- (A) New direct loan obligations, \$0;
  - (B) New primary loan guarantee commitments, \$0;
  - (C) New secondary loan guarantee commitments, \$0.
- (c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1982 the off-budget lending activity of the Federal Government to a level not to exceed \$30,200,000,000, the on-budget lending activity to a level not to exceed \$33,200,000,000, new primary loan guarantee commitments to a level not to exceed \$74,850,000,000, and new secondary loan guarantee commitments to a level not to exceed \$68,950,000,000.



**TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1983, 1984, AND 1985**

SEC. 201. The Congress hereby determines and declares, pursuant section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1982—

(1) the level of Federal revenues is \$665,900,000,000 and the net amount by which the aggregate level of Federal revenues should be increased is \$20,900,000,000;

(2) the level of total new budget authority is \$800,383,000,000;

(3) the level of total budget outlays is \$765,171,000,000;

(4) the amount of the deficit in the budget is \$99,271,000,000; and

(5) the level of the public debt is \$1,290,200,000,000, and the amount by which the statutory limit on such debt should accordingly be increase is \$890,200,000,000.

SEC. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) if section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1982, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):  
(A) New budget authority, \$253,566,000,000;

(B) Outlays, \$213,966,000,000.

(2) International Affairs (150):

(A) New budget authority, \$14,988,000,000;

(B) Outlays, \$11,238,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, \$7,050,000,000;

(B) Outlays, \$7,150,000,000.

(4) Energy (270):

(A) New budget authority, \$3,486,000,000;

(B) Outlays, \$3,763,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, \$9,000,000,000;

(B) Outlays, \$10,550,000,000.

(6) Agriculture (350):

(A) New budget authority, \$6,692,000,000;

(B) Outlays, \$9,042,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, \$6,751,000,000;

(B) Outlays, \$1,902,000,000.

(8) Transportation (400):

(A) New budget authority, \$21,450,000,000;

(B) Outlays, \$20,050,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, \$6,750,000,000;

(B) Outlays, \$7,847,000,000.

(10) Education, Training, Employment and Social Services (500):

(A) New budget authority, \$26,832,000,000;

(B) Outlays, \$26,205,000,000.

(11) Health (550):

(A) New budget authority, \$79,289,000,000;

(B) Outlays, \$77,816,000,000.

(12) Income Security (600):

(A) New budget authority, \$258,141,000,000;

(B) Outlays, \$269,841,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, \$24,560,000,000;

(B) Outlays, \$23,823,000,000.

(14) Administration of Justice (750):

(A) New budget authority, \$4,400,000,000;

(B) Outlays, \$4,500,000,000.

(15) General Government (800):

(A) New budget authority, \$4,800,000,000;

(B) Outlays, \$4,650,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, \$6,500,000,000;

(B) Outlays, \$6,500,000,000.

(17) Interest (900):

(A) New budget authority, \$112,300,000,000;

(B) Outlays, \$112,300,000,000.

(18) Allowances (920):

(A) New budget authority, \$3,016,000,000;

(B) Outlays, \$2,816,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, \$43,156,000,000;

(B) Outlays, \$43,156,000,000.

SEC. 203 (a). There is established a congressional federal credit budget for fiscal year 1983 of which the levels of total federal credit activity for fiscal year 1983 are:

(1) New direct loan obligations, \$58,050,000,000;

(2) New primary loan guarantee commitments, \$99,400,000,000;

(3) New secondary loan guarantee commitments, \$68,250,000,000.

(b) Based on allocations of the appropriate levels of total federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$50,000,000;

(C) New secondary loan guarantee commitments, \$0.

(2) International Affairs (150):

(A) New direct loan obligations, \$10,650,000,000;

(B) New primary loan guarantee commitments, \$8,800,000,000;

(C) New secondary loan guarantee commitments, \$0.

(3) General Science, Space and Technology (250):

(A) New direct loan obligations, \$150,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(4) Energy (270):

(A) New direct loan obligations, \$11,500,000,000;

(B) New primary loan guarantee commitments, \$-200,000,000;

(C) New secondary loan guarantee commitments, \$0.

(5) Natural Resources and Environment (300):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0.

(C) New secondary loan guarantee commitments, \$0.

(6) Agriculture (350):

(A) New direct loan obligations, \$18,100,000,000;

(B) New primary loan guarantee commitments, \$2,650,000,000;

(C) New secondary loan guarantee commitments, \$0.

(7) Commerce and Housing Credit (370):

(A) New direct loan obligations, \$11,150,000,000;

(B) New primary loan guarantee commitments, \$40,800,000,000;

(C) New secondary loan guarantee commitments, \$68,250,000,000.

(8) Transportation (400):

(A) New direct loan obligations, \$350,000,000;

(B) New primary loan guarantee commitments, \$450,000,000;

(C) New secondary loan guarantee commitments, \$0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, \$1,750,000,000;

(B) New primary loan guarantee commitments, \$-100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, \$850,000,000;

(B) New primary loan guarantee commitments, \$7,250,000,000;

(C) New secondary loan guarantee commitments, \$0.

(11) Health (550):

(A) New direct loan obligations, \$100,000,000;

(B) New primary loan guarantee commitments, \$100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(12) Income Security (600):

(A) New direct loan obligations, \$2,050,000,000;

(B) New primary loan guarantee commitments, \$18,750,000,000;

(C) New secondary loan guarantee commitments, \$0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, \$1,050,000,000;

(B) New primary loan guarantee commitments, \$20,950,000,000;

(C) New secondary loan guarantee commitments, \$0.

(14) Administration of Justice (750):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(15) General Government (800):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, \$250,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(17) Interest (900):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(18) Allowances (920):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(B) New primary loan guarantee commitments, \$40,800,000,000;

(C) New secondary loan guarantee commitments, \$68,250,000,000.

(8) Transportation (400):

(A) New direct loan obligations, \$350,000,000;

(B) New primary loan guarantee commitments, \$450,000,000;

(C) New secondary loan guarantee commitments, \$0.

(9) Community and Regional Development (450):

(A) New direct loan obligations, \$1,750,000,000;

(B) New primary loan guarantee commitments, \$-100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(10) Education, Training, Employment and Social Services (500):

(A) New direct loan obligations, \$850,000,000;

(B) New primary loan guarantee commitments, \$7,250,000,000;

(C) New secondary loan guarantee commitments, \$0.

(11) Health (550):

(A) New direct loan obligations, \$100,000,000;

(B) New primary loan guarantee commitments, \$100,000,000;

(C) New secondary loan guarantee commitments, \$0.

(12) Income Security (600):

(A) New direct loan obligations, \$2,050,000,000;

(B) New primary loan guarantee commitments, \$18,750,000,000;

(C) New secondary loan guarantee commitments, \$0.

(13) Veterans Benefits and Services (700):

(A) New direct loan obligations, \$1,050,000,000;

(B) New primary loan guarantee commitments, \$20,950,000,000;

(C) New secondary loan guarantee commitments, \$0.

(14) Administration of Justice (750):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(15) General Government (800):

(A) New direct loan obligations, \$50,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(16) General Purpose Fiscal Assistance (850):

(A) New direct loan obligations, \$250,000,000;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(17) Interest (900):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(18) Allowances (920):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(19) Undistributed Offsetting Receipts (950):

(A) New direct loan obligations, \$0;

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(B) New primary loan guarantee commitments, \$0;

(C) New secondary loan guarantee commitments, \$0.

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1983 the off-budget lending activity of the Federal Government to a level not to exceed \$30,150,000,000, the on-budget lending activity to a level not to exceed \$27,950,000,000, new primary loan guarantee commitments to a level not to exceed \$99,400,000,000, and new secondary loan guarantee commitments to a level not to exceed \$68,250,000,000.

Sec. 204. The Congress sets forth the following budgetary levels for fiscal years 1984 and 1985—

(1) the level of Federal revenues is as follows:

Fiscal year 1984: \$738,000,000,000;

Fiscal year 1985: \$821,400,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased is as follows:

Fiscal year 1984: \$36,000,000,000;

Fiscal year 1985: \$41,400,000,000.

(2) the level of total new budget authority is as follows:

Fiscal year 1984: \$862,601,000,000;

Fiscal year 1985: \$948,503,000,000.

(3) the level of total budget outlays is as follows:

Fiscal year 1984: \$815,979,000,000;

Fiscal year 1985: \$874,956,000,000.

(4) the amount of the deficit in the budget is:

Fiscal year 1984: \$77,979,000,000;

Fiscal year 1985: \$53,556,000,000.

(5) the level of the public debt is as follows:

Fiscal year 1984: \$1,426,600,000,000;

Fiscal year 1985: \$1,551,100,000,000;

and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1984: \$1,026,600,000,000;

Fiscal year 1985: \$1,151,100,000,000.

Sec. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1984 and 1985 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):

Fiscal year 1984:

(A) New budget authority, \$279,483,000,000;

(B) Outlays, \$243,283,000,000.

Fiscal year 1985:

(A) New budget authority, \$323,650,000,000;

(B) Outlays, \$279,000,000,000.

(2) International Affairs (150):

Fiscal year 1984:

(A) New budget authority, \$16,000,000,000;

(B) Outlays, \$11,550,000,000.

Fiscal year 1985:

(A) New budget authority, \$20,940,000,000;

(B) Outlays, \$11,590,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1984:

(A) New budget authority, \$7,050,000,000;

(B) Outlays, \$7,100,000,000.

Fiscal year 1985:

(A) New budget authority, \$7,050,000,000;

(B) Outlays, \$7,050,000,000.

(4) Energy (270):

Fiscal year 1984:

(A) New budget authority, \$2,794,000,000;

(B) Outlays, \$2,184,000,000.

Fiscal year 1985:

(A) New budget authority, \$2,604,000,000;

(B) Outlays, \$1,402,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1984:

(A) New budget authority, \$8,400,000,000;

(B) Outlays, \$9,500,000,000.

Fiscal year 1985:

(A) New budget authority, \$7,950,000,000;

(B) Outlays, \$8,400,000,000.

(6) Agriculture (350):

Fiscal year 1984:

(A) New budget authority, \$8,250,000,000;

(B) Outlays, \$7,500,000,000.

Fiscal year 1985:

(A) New budget authority, \$5,760,000,000;

(B) Outlays, \$7,110,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1984:

(A) New budget authority, \$7,385,000,000;

(B) Outlays, \$1,425,000,000.

Fiscal year 1985:

(A) New budget authority, \$6,965,000,000;

(B) Outlays, \$1,055,000,000.

(8) Transportation (400):

Fiscal year 1984:

(A) New budget authority, \$21,700,000,000;

(B) Outlays, \$19,700,000,000.

Fiscal year 1985:

(A) New budget authority, \$22,050,000,000;

(B) Outlays, \$19,550,000,000.

(9) Community and Regional Development (450):

Fiscal year 1984:

(A) New budget authority, \$6,900,000,000;

(B) Outlays, \$7,469,000,000.

Fiscal year 1985:

(A) New budget authority, \$7,100,000,000;

(B) Outlays, \$7,442,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1984:

(A) New budget authority, \$26,924,000,000;

(B) Outlays, \$26,124,000,000.

Fiscal year 1985:

(A) New budget authority, \$26,214,000,000;

(B) Outlays, \$25,369,000,000.

(11) Health (550):

Fiscal year 1984:

(A) New budget authority, \$91,094,000,000;

(B) Outlays, \$86,249,000,000.

Fiscal year 1985:

(A) New budget authority, \$102,569,000,000;

(B) Outlays, \$98,830,000,000.

(12) Income Security (600):

Fiscal year 1984:

(A) New budget authority, \$278,464,000,000;

(B) Outlays, \$285,514,000,000.

Fiscal year 1985:

(A) New budget authority, \$314,041,000,000;

(B) Outlays, \$306,791,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1984:

(A) New budget authority, \$25,830,000,000;

(B) Outlays, \$25,704,000,000.

Fiscal year 1985:

(A) New budget authority, \$26,940,000,000;

(B) Outlays, \$26,497,000,000.

(14) Administration of Justice (750):

Fiscal year 1984:

(A) New budget authority, \$4,300,000,000;

(B) Outlays, \$4,350,000,000.

Fiscal year 1985:

(A) New budget authority, \$4,250,000,000;

(B) Outlays, \$4,250,000,000.

(15) General Government (800):

Fiscal year 1984:

(A) New budget authority, \$4,500,000,000;

(B) Outlays, \$4,450,000,000.

Fiscal year 1985:

(A) New budget authority, \$4,500,000,000;

(B) Outlays, \$4,300,000,000.

(16) General Purpose Fiscal Assistance

(850):

Fiscal year 1984:

(A) New budget authority, \$6,700,000,000;

(B) Outlays, \$6,700,000,000.

Fiscal year 1985:

(A) New budget authority, \$6,850,000,000;

(B) Outlays, \$6,850,000,000.

(17) Interest (900):

Fiscal year 1984:

(A) New budget authority, \$118,000,000,000;

(B) Outlays, \$118,000,000,000.

Fiscal year 1985:

(A)

New budget authority, \$111,500,000,000;

(B) Outlays, \$111,500,000,000.

(18) Allowances (920):

Fiscal year 1984:

(A) New budget authority, \$2,383,000,000;

(B) Outlays, \$2,033,000,000.

Fiscal year 1985:

(A) New budget authority, \$2,150,000,000;

(B) Outlays, \$1,750,000,000.

(19) Undistributed Offsetting Receipts

(950):

Fiscal year 1984:

(A)

New budget authority, —\$48,790,000,000;

(B) Outlays, —\$48,790,000,000.

Fiscal year 1985:

(A) New budget authority, —\$50,280,000,000;

(B) Outlays, —\$50,280,000,000.

TITLE III—PROVIDING RECONCILIATION INSTRUCTIONS AND OTHER ENFORCEMENT MEASURES

PART A—RECONCILIATION INSTRUCTIONS

Sec. 301. Pursuant to section 301(b)(2) of the Budget Act—

(A) the House Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$1,457,000,000 and outlays by \$1,447,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$2,634,000,000 in budget authority and \$2,624,000,000 in outlays in fiscal year 1984, and \$3,384,000,000 in budget authority and \$3,384,000,000 in outlays in fiscal year 1985.

(B) the House Committee on Banking, Finance, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$0 and outlays by \$695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$0 in budget authority and \$697,000,000 in outlays in fiscal year 1984, and \$0 in budget authority and \$687,000,000 in outlays in fiscal year 1985.

(C) the House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$255,000,000 and outlays by \$227,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$900,000,000 in budget authority and \$852,000,000 in outlays in fiscal year 1984, and \$1,230,000,000 in budget authority and \$1,199,000,000 in outlays in fiscal year 1985.



(D) the House Committee on Energy and Commerce shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$1,212,000,000 and outlays by \$1,332,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$2,467,000,000 in budget authority and \$2,467,000,000 in outlays in fiscal year 1984, and \$2,795,000,000 in budget authority and \$2,795,000,000 in outlays in fiscal year 1985.

(E) the House Committee on Government Operations shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$0 and outlays by \$0 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$320,000,000 in budget authority and \$240,000,000 in outlays in fiscal year 1984, and \$636,000,000 in budget authority and \$557,000,000 in outlays in fiscal year 1985.

(F) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$0 and outlays by \$104,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$0 in budget authority and \$136,000,000 in outlays in fiscal year 1984, and \$0 in budget authority and \$160,000,000 in outlays in fiscal year 1985.

(G) the House Committee on Veteran's Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$77,000,000 and outlays by \$77,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$75,000,000 in budget authority and \$75,000,000 in outlays in fiscal year 1984, and \$71,000,000 in budget authority and \$71,000,000 in outlays in fiscal year 1985.

(H) the House Committee on Ways and Means shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$1,196,000,000 and outlays by \$4,263,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$1,147,000,000 in budget authority and \$5,263,000,000 in outlays in fiscal year 1984, and \$1,464,000,000 in budget authority and \$5,632,000,000 in outlays in fiscal year 1985. If the changes in laws reported to the House Committee on the Budget by the House Committee on Ways and Means pursuant to section 301 of this resolution contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other Committee of the House, an appropriate referral pursuant to Rule X of the Rules of the House should be considered.

(I) the House Committee on Ways and Means shall report changes in laws within the jurisdiction of the committee sufficient to increase revenue by \$20,900,000,000 for

fiscal year 1983; further, the Congress finds that the prospect of unacceptably high deficits in future years requires additional revenues of \$36,000,000,000 for fiscal year 1984, and \$41,400,000,000 for fiscal year 1985.

Sec. 302. Pursuant to section 301(b)(2) of the Budget Act—

(A) the Senate Committee on Agriculture shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$1,557,000,000 and outlays by \$1,547,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$2,834,000,000 in budget authority and \$2,824,000,000 in outlays for fiscal year 1984, and \$3,684,000,000 in budget authority and \$3,684,000,000 in outlays in fiscal year 1985.

(B) the Senate Committee on Banking, Housing, and Urban Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$0 and outlays by \$695,000,000 in fiscal year 1983; further, the Congress finds that the prospect of acceptably high budget deficits in future years requires additional savings of \$0 in budget authority and \$697,000,000 in outlays for fiscal year 1984, and \$0 in budget authority and \$687,000,000 in outlays in fiscal year 1985.

(C) the Senate Committee on Finance shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$2,408,000,000 and outlays by \$5,595,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$3,614,000,000 in budget authority and \$7,730,000,000 in outlays for fiscal year 1984, and \$4,259,000,000 in budget authority and \$8,427,000,000 in outlays in fiscal year 1985.

(D) the Senate Committee on Governmental Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$0 and outlays by \$104,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$320,000,000 in budget authority and \$376,000,000 in outlays for fiscal year 1984, and \$636,000,000 in budget authority and \$717,000,000 in outlays in fiscal year 1985.

(E) the Senate Committee on Labor and Human Resources shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$155,000,000 and outlays by \$127,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$700,000,000 in budget authority and \$652,000,000 in outlays for fiscal year 1984, and \$930,000,000 in budget authority and \$899,000,000 in outlays in fiscal year 1985.

(F) the Senate Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$77,000,000 and outlays by \$77,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional savings of \$75,000,000 in budget authority and \$75,000,000 in outlays for fiscal year 1984, and \$71,000,000 in budget authority and \$71,000,000 in outlays in fiscal year 1985.

(G) the Senate Committee on Finance shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by \$20,900,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future years requires additional revenues of \$36,000,000,000 for fiscal year 1984, and \$41,400,000,000 in fiscal year 1985.

Sec. 303. The committees named in sections 301 and 302 shall submit their recommendations to the Committees on the Budget of their respective houses by July 20, 1982. These recommendations shall be sufficient to accomplish the reductions required by those sections of this resolution. After receiving these recommendations, the Committees on the Budget of the house and Senate shall report to their respective houses a reconciliation bill or resolution or both carrying out such recommendations without substantive revision.

Sec. 304. If Congress has not completed action by September 25, 1982, on the Concurrent Resolution on the Budget required to be reported under section 310(a) of the Budget Act for the 1983 fiscal year, then, for purposes of section 311 of such Act, and section 305 of this resolution, this concurrent resolution shall be deemed to be the concurrent resolution required to be reported under section 310 (a) of such Act.

Sec. 305. (a) In the House of Representatives, no bill or resolution providing—

(1) new budget authority for fiscal year 1983, or

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1983, which exceeds the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 302 of such Act shall be enrolled until after the Congress has completed action on the Second Concurrent Resolution on the Budget required to be reported under section 310 of such Act.

(b) If Congress increases revenues in a trust fund exempt under section 401(d)(1)(B) of the Congressional Budget Act, then for purposes of this section, "budget authority" and "new discretionary budget authority" shall not include spending authority or budget authority derived from such trust fund, 90% or more of the receipts of which consist of or will consist of amounts (transferred from the general fund of the Treasury) equivalent to amounts of taxes (related to the purposes for which such outlays are or will be made) received in the Treasury under specified provisions of the Internal Revenue Code of 1954. This subsection shall only apply (1) to trust funds exempt under section 401(d)(1)(B) of the Congressional Budget Act, (2) to trust funds for which revenues are increased, and (3) to the extent that such increased revenues exceed the appropriate allocation or subdivision of such new discretionary budget authority or new spending authority made pursuant to section 203 of such Act.

Sec. 306. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1983; or

(2) new spending authority described in section 401(c)(2)(C) of the Budget Act first effective in fiscal year 1983;

within the jurisdiction of any of its committees unless and until such committee makes the allocations or subdivisions required by

section 302(b) of the Budget Act, in connection with the most recently agreed to concurrent resolution on the budget.

Sec. 307. (a) After the Congress has completed action on the concurrent resolution on the budget required to be reported under section 310(a) for fiscal year 1983, and, if a reconciliation bill or resolution, or both, for such fiscal year are required to be reported under section 310(c), after that bill has been enacted into law or that resolution has been agreed to, it shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or amendment providing authority for—

(1) new direct loan obligations for fiscal year 1983;

(2) new primary loan guarantee commitments for fiscal year 1983; or

(3) new secondary loan guarantee commitments for fiscal year 1983;

or any conference report on any such bill or resolution, if—

(A) the enactment of such bill or resolution as reported;

(B) the adoption and enactment of such amendment; or

(C) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the appropriate level of total new direct loan obligations for fiscal year 1983, total new primary loan guarantee commitments for such fiscal year, or total new secondary loan guarantee commitments for such fiscal year set forth in such concurrent resolution on the budget to be exceeded.

(b)(1) The joint explanatory statement accompanying the conference report on this resolution shall include an estimated allocation, based upon section 203 of this resolution as recommended in such conference report, of the appropriate levels of total new direct loan obligations, new primary loan

guarantee commitments, and new secondary loan guarantee commitments authority among each committee of the House of Representatives and the Senate which has jurisdiction over bills and resolutions providing such new authority.

(2) As soon as practicable after this resolution is agreed to every committee of each House shall, after consulting with the committee or committees of the other House to which all or part of the allocation has been made, subdivide among its subcommittees the allocation of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments allocated to it in the joint explanatory statement accompanying the conference report on this resolution.

(c) This section shall not be applicable to agricultural price support and related programs of the type in operation on January 1, 1982, that are funded through the Commodity Credit Corporation.

Sec. 308. It is the sense of Congress that reductions in federal employment should be accomplished through attrition only.

Sec. 309. It is the sense of the House that the new spending and revenue levels for fiscal year 1982, adopted by the House, and their underlying assumptions, shall be the ceilings against which the spending and revenue actions of the House will be measured pending final agreement with the Senate on the revision of the Second Concurrent Resolution on the Budget for fiscal year 1982.

Sec. 310. It is the sense of the Congress that if the Congress acts to restore fiscal responsibility and reduces projected deficits in a substantial and permanent way, then the Federal Reserve Open Market Committee shall reevaluate its monetary targets in order to assure that they are fully complementary to a new and more restrained fiscal policy.

H.R. 4800

By Mr. FRENZEL:

—On page 7, after line 23, insert the following:

(4) ELIMINATION OF EXCLUSION FOR CERTAIN TRAVEL—

(A) IN GENERAL.—Subsection (b) of section 4262 (relating to exclusion of certain travel) is hereby repealed.

(B) RETENTION OF EXCLUSION FOR TAX ON TRANSPORTATION OF PROPERTY.—Paragraph (1) of section 4272(b) (relating to exceptions) is amended by striking out "section 4262(b)" and inserting in lieu thereof "section 4262(b) (as in effect on the day before the date of the enactment of the Airport and Airway Revenue Act of 1982)".

(C) CONFORMING AMENDMENTS.—

(i) Subsection (c) of section 4262 is amended by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(ii) Paragraph (2) of section 4262(a) is amended by striking out "subsection (c)(3)" and inserting in lieu thereof "subsection (c)(2)".

By Mr. MOORE:

—On page 3, after line 11, insert the following:

(2) TERMINATION.—Subsection (e) of section 4261 is repealed and new subsection (f) is added as follows:

(f) The taxes imposed by subsections (a) and (b) shall not apply to transportation beginning after December 31, 1983.

—On page 2, beginning in line 17, strike out "12 cents" and, in lieu thereof, insert "8 cents", and

—On page 2, beginning in line 21, strike out "8 cents", and, in lieu thereof, insert "4 cents".



## EXTENSIONS OF REMARKS

FEDERAL AID REDUCTIONS  
SPUR REFUGEES TO FLEE PA-  
CIFIC NORTHWEST

HON. LES AU COIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. AuCOIN. Mr. Speaker, I, and many of my colleagues in the House, are continually concerned with the plight of refugees. Thousands of Indo-Chinese refugees come to our country with hopes of finding good living conditions, something they don't have in their own country. Instead, they find high unemployment rates and a Federal Government which made a decision to allow them into this country but which recently cut back drastically on refugee assistance.

This morning, the Washington Post carried an article describing the critical situation refugees face in the Pacific Northwest. I call this to the attention of all Members of Congress so they may better understand the pressing need for refugee aid.

[From the Washington Post, June 8, 1982]

FEDERAL AID REDUCTIONS SPUR REFUGEES TO  
FLEE PACIFIC NORTHWEST

(By Jay Mathews)

SEATTLE.—Indochinese refugees who fled to the state of Washington two to three years ago are fleeing once again, from economically depressed Seattle to economically devastated Michigan and California, which has more refugees than any other state. The welfare benefits are higher.

Officials in Washington and Oregon, with few available jobs and little local money for welfare, say as many as 2,000 refugees have joined the exodus.

"If I had known it was so bad, I would not have come to this country," said Veunho Saelee, a 40-year-old refugee from Laos who has no job here and no money for rent for his family of four. "I would have just died in Laos."

The sudden migration follows the federal government's decision to cut off benefits to refugees who have been in the country longer than 18 months—despite an initial promise of 36 months of benefits when they arrived. In Washington and Oregon, where the unemployment rates exceed 12 percent, the cutoff has exacerbated a desperate situation of each refugee "competing with 50 unemployed Oregonians for work" said Patricia Rumer, Portland's refugee coordinator.

Rumer said refugee aid officials in Oregon initiated special training for counselors in suicide prevention after news of the cutbacks late last year caused a wave of distress in the refugee community. Seattle officials report marked increase in reports of wife-beating and heightened racial tension as hundreds of refugees have suddenly appeared at long-established food banks for the poor.

The exodus of refugees from the Northwest has particularly upset officials in Michigan, where the unemployment rate is 17 percent but where relatively generous welfare benefits cannot legally be denied to refugees who decide to resettle there.

Paula Stark, Michigan's coordinator of refugees, said her office had reports of refugees arriving from Washington and Wisconsin. She said "we are very fearful" of the possibility of a major influx.

Greg Hope, a job developer for the International Rescue Committee here, said he was stunned when a refugee friend first revealed his moving plans:

"I'm going to Meechigin," he quoted the man as saying.

"Mexico?" Hope said.

"No," the man repeated, "Meechigin."

Hope said he and the rescue committee's Laotian interpreter Maeseng Saechao "have been to refugee houses where they are loading up the cars." He said they pleaded with the refugees "not to go to Michigan. If you have to go anywhere, go where there is employment." The largest recorded migration to date has involved 1,500 members of the Laotian Hmong minority who have moved from Oregon to California since December. Amelia Torres, of Catholic Charities Inc. in Fresno, Calif., said hundreds of Hmong have descended on the Central Valley city. "It is going to make a severe impact on our welfare system," she said.

Kuxeng Yongchu, president of the Hmong Family Association of Oregon Inc., said he expects the migration to California (as well as to Texas where many clan members have found electronics industry jobs) will continue. "The job situation in California is about as bad as it is in Oregon, but in California there is a market for truck farming (a favorite Hmong pursuit)," Yongchu said.

In March, 587,149 refugees from the communist takeover of Vietnam, Cambodia and Laos lived in the United States, and 309,000 of them were receiving rent, food and medical support from the federal government, according to Oliver Cromwell of the federal office of refugee resettlement in Washington, D.C. The decision to help ease the federal budget deficit by reducing the promised three years of support to 18 months forced 70,000 of those refugees out of the program. Benefits to Cuban and Haitian entrants into the country also were cut.

When Indochinese refugees began to come to this country in 1975, Washington state attracted an unusually high portion because of its large Asian community and because state and Seattle officials were particularly receptive. In March, Washington had 27,285 Indochinese refugees, third highest in the country after California's 197,131 and Texas' 53,368.

But the cut in federal aid left 10,750 of Washington's refugees (39 percent) without funds, much higher than the national cutoff rate. In Oregon, 5,500 or 32 percent of its 17,068 refugees were cut off.

Keo Vilaysack, 26, and Keopraseuth Aikham, 20, two friendly but somewhat bewildered Mien nationality refugees from Laos, were getting \$288 each a month under the federal program when it ran out last Tuesday. They have \$35 between them, and

the \$225 monthly rent on the tiny apartment they share is due.

They sat in an upstairs room of the Seattle YMCA and watched as an instructor with the private nonprofit International Rescue Committee showed them how to write a thank-you note after a job interview. "If hired, I will learn fast, come to work on time, and become a loyal employee," the same note on the blackboard said.

"Every day we walk around Seattle looking for a job, but there is none," Vilaysack said. The committee has advised refugees that their landlords must give them proper notice before eviction, hoping to delay further housing problems as long as possible. When the two young men run out of money or food stamps, "we'll go to some Laos family we know and eat with them, Vilaysack said."

Relief officials said young, single refugees like them may be able to find jobs soon. But Veunho Saelee, the 40-year-old refugee with a wife and two sons, faces a more difficult dilemma. He also has thought of leaving Seattle. "I know people in our building who have moved to Michigan," he said, "but I have no money to move."

His final government welfare check for \$531 arrived last month, and his family has nothing but \$50 worth of food stamps. The refugees will still be entitled to food stamps, but rent and health care is another matter. Saelee's tiny one-bedroom apartment is part of a 45-unit building in a run-down section of Seattle's Capitol Hill. The 12-by-8-foot living room has an old couch, a small table, two kitchen chairs and a telephone. Posters of Kung Fu superstar Bruce Lee and a photograph of a water buffalo in Puerto Rico decorate the walls. Mattresses fill the 10-by-10-foot bedroom. One is screened off with cardboard so Saelee's 18-year-old niece can have some privacy. His 14-year-old son has one tiny mattress. Saelee and his wife Kexiang, 38, share the largest mattress with their 10-year-old son.

The \$225 monthly rent is due now. Saelee's only hope is a stopgap state program that may pay him about half of his usual benefits for the next two months. After that, no more welfare will be available to him in Washington. Mike Auyong, Saelee's landlord, said many of the tenants, almost all of them refugees, have been unable to pay the rent recently. Auyong said he does not plan immediate evictions, "but we only have about a month" before his own debts are so great he will have to take some action.

Saelee crouched on a tiny stool in the corner of his living room and smoked cigarette after cigarette as he described his fruitless search for work. "I go looking for work every day," he said through an interpreter. "In the last week I applied to 16 places, but none of them called me back." Before leaving Laos in 1976, he was a farmer, and at the refugee camp in Thailand he ran a little roadside drink stand. But he has never been able to read or write his own language and English is completely beyond him, despite what he said were 540 hours of classes in the two years he has been here. "If I studied until my hair turned brown, I still could not understand," he said.

"It is not that I am lazy. I am eager to work, but when I go out for a job they say I cannot speak English and I cannot work for them," he said. Saelee said while in Laos he served briefly with one of the Mien nationality armies recruited with CIA money to fight the communists. When the communists won, he left the country to avoid prison camp.

Now, he said, "I would like to ask the U.S. government, if we cannot find a job and the welfare is cut off, please let me go back to my country." He added, however, that he would like the Americans to remove the communists from Laos first.

Refugee officials said Indochinese in the Pacific Northwest have been attracted to states like California because there they can receive some welfare support for their children even if there are two able-bodied parents in the house. Also, California provides general relief to individuals with no other source of income. In cities like San Francisco and San Diego, able-bodied recipients must do some community work and show proof of regular job-hunting to receive the welfare money, a requirement that bothers some older refugees but not younger ones.

Arlene Oki, special assistant to Seattle Mayor Charles Royer, said refugees denied such general relief here may try to sell their food stamps to pay the rent and depend on charity food banks for meals. Jay Keeton, planning and development coordinator for the Central Area Motivation Program, a downtown Seattle food bank, said in the last three months refugees have swamped the food bank's converted firehouse sometimes crowding out poor blacks and other traditional recipients of free food.

"I get here at 7 o'clock and there are already 50 or 60 people lined up," Keeton said. He said the food bank supervisors have tried to prevent outbreaks of violence by explaining to their long-time customers that Asian refugees are just as subject to poverty and discrimination as blacks have been in the past. But, Keeton said, "It's getting more and more tense all the time." ●

#### SOCIAL SECURITY

**HON. DOUGLAS K. BEREUTER**

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. BEREUTER. Mr. Speaker, I think we all recognize that reforms in the social security system are vital to the system's future. Though some would offer temporary stop-gap measures, the York News-Times recently pointed out that reform cannot merely be superficial. The paper correctly notes that the system will require a massive influx of funds in the future or it will be unable to meet its obligations. Clearly, careful reform is necessary. Those of us charged with such reform can only be helped by thoughtful commentary like the News-Times editorial. We cannot allow the system to fall apart and leave the suffering to "those who aren't politically strong enough to stave off the special interest groups pressuring for their own benefits at the expense of others," the paper said. I would like to have the entire editorial printed in the RECORD:

[From the York News-Times, May 26, 1982]

#### SYSTEM NEEDS REFORM

America's Social Security system is in trouble, but it is oversimplification to blame a particular administration for the deep depths of chaos in which the system now flounders. Because Social Security has been handled by politicians, it has been handled as a political football, and there is no way a reversal of what it has become can be made with any degree of political safety.

The problem isn't the \$40 billion, or whatever the figure might be, that must be saved over the next three years in old-age benefits paid out of Social Security trust funds. That amount really is just peanuts compared to the real difficulty of the system, which is supposed to protect those Americans who have been unable to provide themselves security in their old age out of investments and savings accumulated during their working lives.

Actuarial studies of the system show it must somewhere find \$4 trillion more than is projected to be contributed in the future if the fund is to pay benefits to those now contributing to it. Specialists say the designers of Social Security never ever thought everyone who contributes to Social Security should be able to take from it, regardless of need, an amount reflecting the size of their contributions. In other words, "old age insurance" wasn't designed, originally at least, to be an annuity system.

But no matter that intent of 45 years ago, because in the last 20 years politicians have created the expectation of total care for the general public once retirement age is reached. There isn't any way any political candidate, no matter what party is involved, can possibly hope to reverse that conception at this time.

One of the biggest drains may have been that portion of the Social Security system whereby recipients could qualify for the full and highest benefits by paying top contributions for only six quarters—or over an 18-month period. Thus it was that thousands of highly paid executives could qualify for Social Security on top of what private or corporate pension plans were available and disregarding what private investments brought in. Some still are drawing top dollar from Social Security after having paid in only a very modest amount to qualify.

Old age benefits, disability payments and Medicare are paid out of the system's current income, not out of income earned by the trust funds, which aren't endowment funds. While it may have been a mistake to set things up this way, as some even now argue, that's how the system works. Contributors are paying the benefits of "annuitants" and not paying toward their own retirement.

But it is accepted by the electorate and by all but the purists that making the mandatory payroll tax contribution builds rights to benefits without a needs test. In our system of government, the majority will get what it demands even if it has to vote out those who refuse to give it and replace them with those who will.

Still, the question remains of where the \$4 trillion more than can be expected to be collected in worker contributions is to come from to pay the benefits of those who now are contributing. This may be a moral obligation rather than a legal debt, but in 1982 politics that amounts to about the same thing.

This is a problem that won't go away and our nation's lawmakers need to address it and address it fully and soundly. We cannot

allow this system to collapse in shambles through those who aren't politically strong enough to stave off the special interest groups pressuring for their own benefits at the expense of others. ●

#### COMMEMORATING 70 YEARS OF SERVICE

**HON. ROMANO L. MAZZOLI**

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 11, 1982*

● Mr. MAZZOLI. Mr. Speaker, on the occasion of Hadassah's 70th anniversary, I wish to extend my thanks and recognition to this organization which has contributed so much to our country.

Since its founding in 1912, this Jewish women's organization has been dedicated to strengthening and improving the quality of life in our Nation and around the world. Chapters are located in every State and with a membership of over 370,000, Hadassah is one of the largest Jewish service organizations in the country.

The influence of Hadassah can be felt in many facets of our society. It has made significant contributions in the fields of education, politics, and community service. Hadassah is active at local, State, and national levels in the United States, and it has had a record of accomplishments in many nations of the world.

I applaud the efforts of Hadassah and wish it many more years of success and achievement. ●

#### VOICE OF DEMOCRACY WINNER

**HON. STEWART B. MCKINNEY**

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. MCKINNEY. Mr. Speaker, it is my privilege to share with this body an outstanding essay written by one of my constituents, Mr. Brendan C. Murphy. Brendan was the Connecticut State winner of the voice of democracy contest sponsored by the Veterans of Foreign Wars. This year over one-quarter million high school students participated in the contest making Brendan's award an unusually distinct honor.

Brendan is presently entering his senior year at St. Basil's Preparatory School in Stamford, Conn. He was the vice president of his junior class, has achieved the rank of Life in Scouting from the Boy Scouts of America, and has received numerous athletic awards. I hope that my colleagues will take the time to read Brendan's essay on "Building America Together" and



share in his vision of the American spirit.

Building America Together. America is two hundred years old, considered to be the last ray of hope, yet she is still just an infant. We have gone from an age where people believed in superstitions that have since been disproved, through an age where we believed the earth the center of the universe, to an age where we have explored outer space.

The ancient warrior, Hannibal, unwittingly defined America's spirit as follows: "We will find a way . . . or make one."

This nation has been at war both with other nations and with herself; she has seen recession and depression; she has faced catastrophic losses and still prevailed. America has always found a way—or made one!

The building of America depends on all of us. It cannot be done separately, through individual effort alone—it must be done together. We must learn from the mistakes of the past, accept the knowledge of the present, and turn our heads to the building of America's future. No matter what instance of individual effort one points to, that effort could not have been accomplished without assistance. The reason for this is simple: something in our very nature tells us that the American, by definition, works in concert.

In all of America's past, whenever a great accomplishment has taken place, there has been cooperation and compromise. The very founding of our country is an example of this. Without our forefathers' determination, stamina, and endurance, without their cooperation and compromise, this country would have never left the planning stages.

When our country or our people were in danger, we banded together as one. And we have done so again and again, most recently in the Iranian crisis, when a wave of nationalism swept the country. We are banding together even now, in small groups to fight crime, cure diseases, help the needy. If we can continue to work together, to work at a common goal, our hope for the future can then effectively be put into action.

Most people think that the building of America is directly related to her material progress and growth. It is not. The building of this country involves one of our most prized treasures—the American spirit. When our nation was first born, we had no path to follow; we made our own. We had no government; we adopted our own. Because we were all immigrants, we had no unity, we forged our own. This was the beginning of what we call The American Spirit, which bonds each and every one of us together. It could not be broken back then—that is why we went to war—to assert our independence. Through bad times and dark times, and times where it looked as though we would not win, it was only strengthened. It could not be broken in the past. It must not be broken in the future.

The American Spirit is more than just an idea—it is a reality, and a force. A reality that must never fade; a force that will help us build, together.

Our forefathers believed in America. Believed in her so much so that they were willing to put aside personal obligations, and mutually pledge their lives, their fortunes, and their sacred honor in order to make the idea of America a reality.

This should be an example to us and future generations.

We must work together to help build America further. We must regenerate her spirit. This is the first step, and the hardest.

If we can achieve this, we will not be considered the last ray of hope. We will be the first of shining examples.●

#### A SALUTE TO THE DAIRY PRODUCERS OF HENRY COUNTY, KY.

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. HOPKINS. Mr. Speaker, as a member of the Agriculture Committee of the U.S. House of Representatives, I am honored to commemorate Saturday, June 19, as Henry County Dairy Day. I would like to take this opportunity to share with my colleagues the importance of the dairy industry to all of our citizens, and Kentucky's vital contribution to this great industry.

In 1978, total milk production for the State of Kentucky was 2,322 million pounds valued at \$239.4 million. This total made Kentucky the 13th largest dairy State in the Nation.

In 1980, Kentucky accounted for 4 percent of all U.S. dairy products which were exported. Dairy was also a significant portion of the total amount of agricultural exports in 1980 which contributed over \$23 billion to our balance of trade. These exports helped pay a large part of our bill for imported oil.

As you know, the Agricultural Act of 1949, as amended, requires the Secretary of Agriculture to set a nationwide support price for milk to assure adequate current and future supplies of milk. Unfortunately this Government program has resulted in enormous Government stocks of dairy products and extremely large costs by the Commodity Credit Corporation to purchase and store these supplies. The most unfortunate result of this situation is that a large part of the blame for this problem is falling on the shoulders of the dairy producer. Essentially our country's milk producers are being punished for being too efficient.

What is too often lacking in this criticism is the fact that for a majority of the past 33 years, farm milk prices have been above support prices—the market cleared itself with minimal Government interference. Furthermore, compared to other food items which the consumer must buy, milk prices have remained relatively favorable. However, even in light of favorable prices, milk consumption has not kept pace with production.

The Livestock, Dairy, and Poultry Subcommittee of the House Agriculture Committee, of which I am a member, is currently reviewing several legislative proposals designed to dispose of the current Government surplus of dairy products and to reduce

future supplies in order to increase the incomes of dairy farmers and decrease the cost of the dairy program to the Government.

I will be reviewing these proposals very carefully. As we talk about this problem on a national scale in committee, I will remember the farmers of Henry County who provide the backbone of a program which has provided a fresh and bountiful supply of milk for our entire country for many years.

Again, I salute the men and women of our Nation's dairy industry, especially my good friends of Henry County. Your labors are appreciated, and I commend you on your efficient work over all of these years.●

#### EAST-WEST TRADE: HENRY KISSINGER'S VIEW

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. MICHEL. Mr. Speaker, I recently inserted into the RECORD some newspaper articles dealing with the subject of East-West trade. Among those articles was the first part of a two-part series written by former Secretary of State Henry A. Kissinger. I would like to offer you the second part of that series and, therefore, at this point, I am inserting into the RECORD, "Trading With Russia—II," by Henry A. Kissinger, from the Baltimore Sun, May 27, 1982.

#### TRADING WITH RUSSIA—II

(By Henry A. Kissinger)

If the democracies continue to make available their hard-earned resources for an assault on the geopolitical balance, they must not be surprised at the inevitable decline in their security and prosperity. So long as the Soviet Union asks us for help in solving its economic problems by what amounts to Western aid, the industrial democracies have the right, and indeed the duty, to insist on restraint and stability in international conduct in return.

The industrial democracies are in a position to use their economic strength positively and creatively. There exists a sensible rationale for East-West trade which is neither unrestricted economic warfare nor uncontrolled Soviet access to Western trade, credit and technology. If the democracies cannot concert unified political criteria, they should at least be able to agree on letting market conditions determine the level of East-West trade and credit. If government-guaranteed credits and subsidies were to end, East-West trade would be reduced to the level of reciprocal economical benefit—or a small fraction of what now exists. If the Soviets want to go beyond this—if they seek further credits or subsidized prices—the West should insist on a political quid pro quo.

To this end, the industrial democracies should jointly take the position that they are prepared over the long term to engage in economic cooperation, even on an augmented scale—but only if there is in return

a comprehensive political understanding providing for settlement of the most serious outstanding problems, specific restraint in superpower conduct and major steps toward arms reduction. The condition should not be pious platitudes and should be spelled out in concrete detail. Nor should we delude ourselves: This cannot be achieved without a period, perhaps of some years, of disciplined coordination and restraint among the democracies to convince the Soviets that we are serious.

Specifically, the democracies should start by specifying their objectives in the political area to provide clear-cut criteria for progress. The most important message would be that the industrial democracies propose to speak with the East with one voice.

Second, there should be an urgent updating of the list of prohibited strategic exports and a determination to stick to it.

Third, the democracies should examine at the highest level on what political terms the Soviet Union and the nations in its system will enjoy governmentally supported access to Western trade and financial resources. Policies on export credits and financial guarantees should be reviewed periodically, based on a commitment to establish a common and non-competitive policy among all members of the Organization for Economic Cooperation and Development.

Fourth, the democracies should agree to end progressively all government subsidies and guarantees for private bank credits to Eastern Europe. Given the nearly catastrophic performance of Communist economies, the marketplace would determine the proper flow of private credit, probably to restrict if not eliminate it. The same principle should apply to subsidized prices. Concurrently, there should be an agreement that rescheduling of existing debts will be heavily influenced by behavior of the countries concerned, especially in the field of foreign policy but including an end of martial law in Poland.

Fifth, there should be an urgent review of the grain export policy of the major grain-producing nations to determine how it can serve the strategy sketched here without undue hardship to the farmers in all our countries.

Finally, there must be a consensus among the democracies about what form of expanded economic cooperation we are prepared to undertake with the Communist world if this strategy of Western economic coordination leads to a broad East-West political understanding. The Versailles summit would seem to provide a useful forum to begin such a process.

What these measures suggest is in the long-term interest of both East and West. It discourages Soviet adventurism grounded in the belief that the West is too weak, too selfish, or too divided to defend its interests with its best weapons. It thus forces the Soviets to make real choices at a time when their succession struggle will inevitably involve an internal debate over priorities and a possible desire to ease outside pressure. If it leads to the sort of political settlement that precludes later reversal, trade and credit can safely be expanded. If such a settlement is unattainable, continuing our present trade and credit practices will in effect accelerate our crisis. In that case, future generations will not be able to explain what possessed their predecessors to engineer their own decline by lassitude, greed or lack of leadership.

If the industrial democracies wish to subsidize their exports by easy credit or pricing

policies, the creative area for such efforts is not in the Communist countries but in the Third World—especially among its moderate, market-oriented governments.

The Soviet Union is a system with no legitimate method of succession, a stagnant economy, a demographic challenge in the growth of its non-Russian population, and ideological claims whose bankruptcy is being proven by the working class of Poland in the streets of Polish cities. The joke of recent history is that the only spontaneous revolutions in industrialized countries have been against Communist governments. A system that feels so threatened by even the most elementary liberties, a system so structurally unsound and so patently contrary to the human spirit, can prevail only by our inadequacies, not by its own efforts.

The West, which over centuries has shaped a great civilization—of culture, philosophy, inventiveness and well-being—must not now abdicate control of its own destiny to short-term calculations. Democracy requires above all clarity of thought, fortitude and leaders willing to present the facts to their people and prepared to deal with complexity. ●

## LAND REFORM IN EL SALVADOR

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. LEWIS. Mr. Speaker, there has been much misinformation on land reform in El Salvador. What El Salvador needs is not land reform at any cost, but land reform which works in terms of equity and productivity. For a balanced view on Salvadoran land reform, I am submitting for consideration of my colleagues the May 28 editorial by Smith Hempstone of the Washington Times.

### EL SALVADOR LAND REFORM NOT WORKING

Land reform—taking great estates away from wealthy squires and giving them to the poor who work them—inevitably is a good thing, right?

Wrong.

It is not a good thing if the net effect is to destroy free enterprise, substitute one master for another, reduce export earnings and bind peasants to virtually worthless plots of land that cannot support them.

And this, to a degree, is what has been happening in El Salvador, whose lawfully elected constituent assembly the other day voted to abandon Phase 2 and to suspend Phase 3 of an American-imposed land redistribution scheme.

Enraged by the assembly's action, Sen. Charles Percy, the Republican chairman of the Senate Foreign Relations Committee, declared that "not one cent" of some \$226 million in proposed American economic and military aid should be granted El Salvador if it reneges on the program.

Percy's reaction is, to put it mildly, excessive. Ever since those famous "agricultural reformers" took over the Chinese mainland back in 1947, land redistribution has ranked with motherhood and apple pie as next to godliness.

Indeed, it is difficult to argue with the precept that he whose sweat waters the land should own it. Unfortunately, one

cannot eat precepts, and shibboleths are not nourishing.

Land redistribution is a good thing when it leads, as it has in Taiwan, to a better life for those who work the land. It is a bad thing when it leads, as it has in Mexico and a dozen other lands, to no discernible improvement in the lot of the peasantry and a fall in the production of both food and cash crops.

And in El Salvador there is a significant body of evidence to suggest that land reform, foisted on that Central American republic by Washington two years ago, simply is not producing the desired results.

Under Phase 1 of the plan, now virtually completed, 263 estates larger than 1,235 acres were confiscated and converted into cooperatives. The net effect of this is that the 35,000 peasant families who once worked for individuals now work for the Institute for Agrarian Transformation, which holds the titles to the estates. According to The New York Times, not a notably reactionary publication, "even the most ardent supporters of the agrarian changes agree that the institute has been inefficient and corrupt."

Result: a 10 to 30 percent decline in coffee production, and a decrease of 30 to 40 percent in cotton acreage. Coffee, cotton and sugar account for about 75 percent of El Salvador's export earnings.

Phase 2 of the ill-starred program, abandoned by the Salvadoran constituent assembly the other day, would have entailed confiscation of all farms larger than 247 acres. The Reagan Administration has withdrawn its support of this part of the plan for economic and political reasons long before the Salvadoran elections took place.

The 1,700 farms involved produce half of Salvador's sugar, 60 percent of its cotton (neither crop is suited to cultivation by smallholders) and 88 percent of its coffee. The proprietors predominantly are members of the country's small middle class.

Phase 3 of the program, the suspension of which so raised Percy's ire, would have allowed 150,000 peasant families to purchase up to 17 acres of the land they'd been working as renters or sharecroppers.

One weakness of Phase 3 is that some of those who own the land are nearly as poor as those who rent it. Another is that the plan ignores the realities both of Salvadoran land-tenure patterns and of the capacity of the soil to endure continuous cultivation.

In many areas of El Salvador, peasant families rent or sharecrop a plot of land for a season or two, then move on to another while the first lies fallow for a time. Under Phase 3, the peasantry would be locked into plots of land averaging less than three acres which, with constant cultivation, would soon become too unproductive to support a family.

Finally, implementation of Phase 3 would have meant the end of any hope on the part of El Salvador's 740,000 landless rural poor of ever acquiring land on a rental or sharecropping basis: no landowner is going to rent land when he knows it can then be confiscated from him in favor of his tenant.

In short, a successful program of land redistribution requires more than good intentions if it is to succeed. It must be fair and gradual. And it requires knowledge of local social customs and land conditions, assumes access of the peasantry to credit and technical help and demands the support of the people.

As a U.S. Agency for International Development report states, the program from the



start was regarded by many Salvadorans as "a symbolic measure proposed because it would look good to American politicians and not necessarily because it would be beneficial or significant in the Salvadoran context."

It is just possible the elected members of the Salvadoran assembly are better informed than the senator from Illinois.●

**HEIN CHRISTENSEN—AN  
OUTSTANDING MAN**

**HON. RON de LUGO**

OF THE U.S. VIRGIN ISLANDS  
IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. DE LUGO. Mr. Speaker, "service above self" is the motto of the Rotary International. The Rotary Club of St. Thomas recently honored one of their own who truly exemplifies this motto—Hein Eigild Christensen.

All of us here in the Congress recognize the Rotary as a service organization of business and professional men with humanitarian objectives. These men are community-minded individuals who work together in order to build a better community and better nation. There is no better way to describe Hein Christensen than this. His record of public service speaks for itself through his tenure on: Virgin Islands Board of Public Accountancy; Banking Board of the Virgin Islands; Governor's Tax Advisory Board; and, Public Utilities Commission.

The list of organizations to which Hein Christensen gives of his time and talents is enormous. They include: American Institute of Certified Public Accountants; Virgin Islands Society of Certified Public Accountants; Harmonic Lodge (Free Mason); Scottish Rite (Free Mason); Virgin Islands Hotel Association; Virgin Islands Yacht Club; Yacht Club of St. Thomas; Royal Danish Yacht Club; Royal Danish Automobile Club; Friends of Denmark; and, of course, the Rotary Club of St. Thomas. For 23 years, he has served as the treasurer for the latter group. His colleagues refer to him as "Cerberus. . . a mean watch dog, zealously guarding the fruits of Rotary through rolling years."

Hein Christensen has received several honors for his meritorious service. His Most Gracious Majesty King Baudouin, the King of Belgium, bestowed the honor of "Chevalier de L'Ordre de la Couronne" for service to the crown in his position as Honorary Consul of Belgium in the Virgin Islands. The Queen of Denmark, Her Royal Majesty Queen Margrethe, knighted him for service to the kingdom. His own professional organization, the Certified Public Accountants of all America, have recognized and honored Hein for his leadership. Finally, the Boy Scouts of America made him an honorary member of their group for his support.

I join with my friends in the U.S. Virgin Islands in paying tribute to Hein Eigild Christensen—truly an outstanding man that has made a difference. He is a man I am proud to call my friend.●

**THE BUDGET ALTERNATIVE  
THAT WASN'T**

**HON. DAN LUNGREN**

OF CALIFORNIA  
IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. LUNGREN. Mr. Speaker, the failure of the House to adopt a responsible budget during the week of May 24 struck a solid blow to the vital parts of our U.S. economy. After 4 months of fierce wrangling and 46 hours and 12 minutes of actual floor debate on 7 separate budget proposals and 68 amendments to various aspects of these packages, the Democrat-controlled House of Representatives flunked the biggest test of the year.

Since February of this year the main debate in Congress has been over the budget. It now appears that what we were hearing was all talk without any action to back it up.

Quite clearly, the burden of action falls upon the House. The other body has already passed a budget proposal and is waiting to go to conference to reach final agreement. It is the Democrat-controlled House which is holding up the whole process. It is they who are permitting runaway deficits to race on and the prospects of unacceptable high interest rates to persist. Virtually all economists agree that interest rates, which are hampering economic growth and contributing to post-war record unemployment rates, will not come down until the people of this country see Congress pass a responsible budget with controlled and lowered deficit spending.

While I strongly disagree with his conclusions that "Reaganomics is in trouble," Mr. David Broder, a political reporter for the Washington Post, in a recent article put his finger on a major problem: the absence of any viable Democrat budget alternative. In fact, the only proposals which are being put forth by the Democrats are continuations of the immediate gratification economic policies of the 1960's and 1970's. The only alternatives offered are a return to the old, tried and failed tax and tax and spend and spend economic proposals, such as were added to the recent supplemental appropriations bill.

In my view, we still must give President Reagan's economic program a chance. As we did not get into this economic mess in the first place overnight, we will not be able to restore economic vitality overnight. But for the first time in years, President

Reagan has brought to Washington a program based on sound long-term economic growth. One of the major obstacles in the way, however, is a reluctance from the Democrat-controlled Congress to change their ways and pass a budget with a lowered deficit.

As Wall Street and, more importantly, Main Street continue their wait, I insert into the RECORD the article by Mr. David Broder, "The Alternative That Wasn't," which appeared in the Washington Post on June 2, 1982, and I recommend it to all of my colleagues:

**THE ALTERNATIVE THAT WASN'T**

(By David S. Broder)

When the House of Representatives rejected all the alternative budget proposals last week, the country was denied the show of fiscal discipline it needs from government in order to have any chance of crawling out of this crippling recession. But if there is any solace to be found in the House's budget fiasco, it is this: the voters saw a clear demonstration of where the problem lies.

Part of it lies in President Reagan's stubborn resistance to a "mid-course correction" in his own policies—a resistance that inhibits most of the congressmen of his own party from supporting any such change.

But a larger problem is the inability of the Democratic Party to forge an internal agreement on an alternative to Reaganomics.

The House was, as always, a near-perfect reflection of those external realities. By March of this year, Washington Post-ABC News polls showed a shift in public opinion from the earlier broad support of Reagan's policy. By a 2-to-1 margin, those polled said Congress should make "substantial" changes in Reagan's budget. A follow-up poll in April found most saying his tax cuts and domestic spending reductions were too deep.

The House votes last week reflected that judgment. First, a majority amended the Reagan-endorsed budget to shift \$4.8 billion from defense to health care—a straight-out Medicare vs. military test. Then, the House rejected the overall Republican plan, which still sacrificed domestic spending to defense needs and the scheduled tax cuts.

There were cheers from the Democratic majority on that vote, for never once in all of 1981 had they been able to derail the president's legislative express train.

But the cheers were short-lived. Having cleared the agenda, at least temporarily, of Reaganomics, the Democrats then failed, on three tries, to find a majority for any plan of their own. They could not muster a majority for a plan devised by five of their brightest young members, in conjunction with a handful of moderate Republicans. Nor could they unite behind either the original or a modified version of the Democratic budget reported by the House Budget Committee and presented by its chairman, Rep. James R. Jones (D-Okla.).

In failing to meet their legislative responsibilities, the House Democrats confirmed another finding of that March poll. The voters—who are rarely fooled—said that as far as they could see, the Democratic alternatives were not better or worse than Reaganomics; there were no alternatives at all.

It was an abject and embarrassed bunch of Democrats who shambled out of the Capitol in the small hours of Friday morning, when the last of the budget-wrecking was done. Echoing in their ears were the words of Speaker Tip O'Neill: "When Americans wake up and find that Congress did not do its job, what frustration there will be."

In the corridor, Rep. Bill Alexander of Arkansas, the chief deputy Democratic whip, made the obvious political point. "Reagan is going to murder us," he said. "We had him on the run, when we could say his budget has failed the country. But now he can say the failure is the Democrats', because we were unable even to produce an alternative."

The seriousness of the failure is heightened by the fact that, this time, the Democrats really did give it their best shot. Rep. Richard Bolling of Missouri, perhaps their most skilled parliamentarian, devised rules for debate designed to give every faction in the party a clean vote on its pet provision—in hope they would support, and not disown, the final product. The agenda guaranteed the Democrats would have the last chance to assemble a majority.

That they could not do so shows how politically divided and intellectually bankrupt they really are. They are worse off, in both respects, than they were a year ago, when Reagan was riding high. Last spring, the Democrats were able to get 176 of their members to support the Jones budget against Reagan's preferred plan. This year, Jones could muster only 171 votes for his product.

Last week, the defections came from both ends of the Democratic spectrum—not just the conservative wing. Barely half the 63 Democrats who voted against the Jones budget were southern "boll-weevils." Most of the black Democrats—angered by what they regarded as inattention to their own budget proposals—also balked, as did a dozen or so white liberals.

The conventional answer of Democrats is to say that if only they had more members in the House, they would do better.

But the voters will not be satisfied with that. They will want to know: do what?

That question ought to be at the top of the agenda for the Democratic Party's mid-term mini-convention in Philadelphia at the end of this month. Reaganomics is in trouble. But Democrats still have to learn that you can't beat something with nothing.●

### TERRORISM BILL GAINS WIDESPREAD SUPPORT

**HON. JOSEPH M. McDADE**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. McDADE. Mr. Speaker, I am today adding 26 additional cosponsors to H.R. 5449, my bill to prohibit American citizens from committing terrorist acts overseas. It is pleasing to note that Members from all parts of the political spectrum have endorsed this bill. This bipartisan support indicates widespread agreement on the importance of stopping Americans from participating in terrorism.

My bill, which makes it illegal for Americans citizens to commit terrorist acts overseas, closes a major gap in the

criminal law. Currently, Americans are not prohibited from selling their services to terrorists such as Muammar Qadhafi and the Palestine Liberation Organization. Terrorism challenges the basis upon which nations relate to one another as well as the basic relationship between a nation and its government. We must do all that we can to curb terrorism, and especially our citizens' involvement in such activities. H.R. 5449 is a significant step toward that goal.

Mr. Speaker, I am delighted to have received such broad bipartisan support for H.R. 5449. This important measure deserves the consideration of the Judiciary Committee. I hope that the committee will schedule action soon.●

### CRETE NEWS

**HON. DOUGLAS K. BEREUTER**

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. BEREUTER. Mr. Speaker, too often the political process produces what is best for the present without concern for the long run. The Crete News recently noted in an editorial that since World War II, this country has allowed the national debt to rise and the social security system to drift near insolvency. The current generation faces the possibility of leaving its heirs with massive bills to pay for its lack of foresight. The News does not like the idea of saddling future generations with a huge debt and a failing social security system. "It is past the time when problems can be solved by borrowing from future generations," the News says. I think the paper makes a point we should all heed. I would like to have the editorial printed in the RECORD.

[From the Crete News, May 26, 1982]

### THE PERFECT TIME

Middle aged America has reason to think that it's lived during a good period of history, economically and in respect to taxation.

A person who joined the taxpaying public at about the time of the end of World War II can look back on perhaps only one or two years during which the federal budget was balanced. At the same time citizens in that age group have enjoyed living in probably the most prosperous period in American history. Through many of those years the economy was relatively good. Americans were able to offer foreign aid. They were able to establish welfare programs to take care of many of the disadvantaged. They handled their problems and greatly increased their standards of living.

But how did they do it? For one thing they managed to delay paying some of the bills by borrowing. They inherited a national debt of less than \$50 billion, a lot of which was built during World War II. They've provided for their needs by increasing that national debt to more than a trillion dollars though their years of prosperity might have suggested they were better able to pay their way than will those coming

later who will be saddled with the debt. And, now, they're suffering tremendous pain in every effort to trim greatly yearly deficits.

Not only has middle aged America enjoyed general taxes lowered by being able to borrow for part of its expenses, but it's benefited through many years of extremely low Social Security taxes. Many paid only one percent of their incomes up to a maximum of \$3,000 each year into the Social Security Fund during its early years. That was only \$30 per year (matched by employers). That figure, of course, was gradually raised, but it was only in very recent years that the tax approached any degree of a burden.

The legacy middle aged America will be passing on is not nearly as bright. Even now more than \$100 billion each year must be raised simply to finance the existing national debt. We've encouraged the attitude that government has the obligation to solve all problems and provide a comfortable standard of living for everyone whether they are able to produce or not. And middle aged America has not paid sufficient Social Security taxes to build any reserves to provide for its lengthening retirement.

A detailed Social Security article in a recent Time magazine suggested that the 1980s may be difficult for the Social Security system. But some relief is expected during the 1990s when low-birth-rate-depression-era children retire, benefitting from post World War II baby boom workers who will continue to finance the system. But by the 2020s, when this group is in retirement, age problems are again forecast when only two taxpaying workers will be feeding the system for every retiree.

These same taxpayers may be burdened by a much larger national debt requiring much greater tax payments merely to finance the interest on the debt.

The last 35 years have been an ideal period for life in the United States. But it's past the time when problems can be solved by borrowing from future generations. It's time to begin paying the bills, all of them, while attempting to pass on something better than a huge national debt and a Social Security system with no reserves.●

### DAVID J. HARKNESS FULFILLS HIS AMBITIONS

**HON. JOHN J. DUNCAN**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. DUNCAN. Mr. Speaker, there is no greater honor than the devotion which is showered upon a native son by a community which takes pride in his accomplishments outside the sheltered confines of his home. Such an event reflects the mutual appreciation felt by the son and community for the encouragement each has received from the other.

This is the case of David J. Harkness and Jellico, Tenn. Mayor Gary Owens has proclaimed this week David J. Harkness Week in Jellico. It is a fitting tribute to the years of service this native son has given to his community, State, and Nation. The people of Jellico are justifiably proud of this



author, speaker, librarian, and friend who, after 34 years at the University of Tennessee, has retired to loaf and "invite my soul."

The citizens of Jellico have seen David J. Harkness progress from school days, when as a senior at Jellico High he was Tennessee's champion extemporaneous speaker, to the 5 years he spent as principal of the high school in the early 1940's. They have watched him travel to Lincoln Memorial University, East Tennessee State College and the University of Tennessee. Through the years he has remained an example and credit to his Jellico roots.

His writings and speaking engagements have earned him a reputation stretching far beyond Jellico. He began by attending the University of Tennessee from 1930 to 1934. There Harkness received his bachelors degree majoring in English and minoring in history. From there he went to New York and Columbia University where he received his masters degree in English.

He returned to Jellico after this educational odyssey to serve as principal of Jellico High School. It was here, a border town once known as a coal empire, where he had been born on April 19, 1913. He grew up with others who would achieve fame outside of the town including Tom Siler, a respected sports editor for the Knoxville News-Sentinel; Grace Moore, the internationally known opera star. His younger brother Alex Harkness became a Knoxville city councilman. Having grown in this community, it made sense for David Harkness to begin his career among the people he knew.

The call of academia took him from Jellico to Lincoln Memorial University in Harrogate, Tenn., in 1944. He taught English at the school and acquired an endearing interest in the man for whom the university was named. His office was in the Lincoln Room, which held tokens of the Great Emancipator's life and career. The mementoes cast their spell upon him and he has responded in a number of books, articles, pamphlets, and speeches about Lincoln. In 1959 he collaborated with the man he had shared the Lincoln Room with at LMU, R. Gerald McMurty, on the book "Lincoln's Favorite Poets." His speech, "Lincoln the Reader," which was delivered to the Lincoln Group of Washington, D.C., was reprinted in the CONGRESSIONAL RECORD.

David J. Harkness came to the University of Tennessee in 1947 to head the school's extension library. He served as director of the library until June 1981. During his service with the university, Harkness' many interests and abilities played a role in his work and the library's collection. The shelves of the library are filled with volumes of works on Tennessee and

Tennesseans, as well as books by Tennessee writers. There are books on art, architecture, southern history and literature, folklore, music, radio and television, travel, gardening, wildflowers, the Civil War, and the American Revolution. The collection of plays and musicals has been called the most extensive in the Southeast.

To these works he added his own writings over the fields of history, literature, and geography. One popular series of booklets dealt with the literature and authors of the 50 States. Other series covered the heroes and heroines of the American Revolution and the Civil War. His booklets on the history of Tennessee and its neighboring States were used as gifts to the university's alumni from the UT Alumni Association in the 1960's.

Harkness never lost the public speaking abilities he was honored for as a high school senior, and he never forgot the importance of that honor to him. He supervised the Tennessee High School Speech and Drama League for 12 years. The program offered competition to high school students in oratory, debate, drama, and reading. Under Harkness' supervision the competition produced such notable winners as former Gov. Frank Clement, a debate champion; Oscar winner Patricia Neal in humorous reading; and Tony Award winner John Cullum, in one-act play competition.

Harkness has spoken to groups throughout the State and across the country. He has been a favorite speaker at alumni functions, civic clubs, and historic societies. He will undoubtedly continue to entertain and educate many through his speaking engagements and writings in his retirement.

Such a man is justly honored by his community for the achievements which sprang from high school interests to fill a career. The people of Jellico share the pride in these achievements. I feel certain that Mr. Lincoln would approve of the honor the citizens of this community have bestowed on David J. Harkness, for I am sure Mr. Harkness shares Lincoln's ambition. "Every man is said to have his peculiar ambition," he once said. "Whether it be true or not, I can say, for one, that I have no other so great as that of being truly esteemed by my fellowmen, by rendering myself worthy of their esteem. How far shall I succeed in gratifying this ambition, is yet to be developed."

Mr. Lincoln did gratify his ambition, and I believe that David J. Harkness has also succeeded. The people of Jellico honor him this week for that ambition and with that esteem.●

## HUMAN RIGHTS

### HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. BONKER. Mr. Speaker, Roberta Cohen, former Deputy Assistant Secretary of State for Human Rights and Humanitarian Affairs under the Carter administration and a renowned human rights advocate, has written a perceptive article entitled, "Does Human Rights Have a Role in Reagan's Foreign Policy?" In her article she notes:

Over the past year this Administration has signalled to the world that it is not in our national interest to advance the cause of human rights. Appeals on behalf of select individuals in the U.S.S.R. and public statements about Poland do not constitute a human rights policy. . . . It is evident that the Reagan Administration's close ties with repressive governments have alienated many around the world who look to this country for leadership in their struggle for human dignity. . . .

I would like to commend to the attention of my distinguished colleagues Ms. Cohen's article which appeared in the April issue of Justice Watch.

The article follows:

#### DOES HUMAN RIGHTS HAVE A ROLE IN REAGAN'S FOREIGN POLICY?

(By Roberta Cohen)

The Reagan administration took office a year ago determined to downgrade the role of human rights in foreign policy. So successfully has it eliminated human rights from government decisionmaking that the administration now recognizes it went too far. A State Department memorandum published in November recommended that a human rights policy be reinstated:

"We will never maintain wide public support for our foreign policy unless we can relate it to American ideals and to the defense of freedom. . . . Human rights has been one of the main avenues for domestic attack on the Administration's foreign policy."

More than a memorandum, however, will be required to reinstitute a vigorous human rights policy. The December appointment of Elliott Abrams, the memo's author, to the long vacant post of assistant secretary for human rights cannot undo the record of the past year or mask the administration's entrenched opposition to the universal promotion of human rights. A radical shift in attitude at the top echelons of government will be necessary to carry out a genuine human rights policy.

The Reagan administration demonstrated its intense hostility to human rights considerations from the outset. Secretary of State Haig declared in his first press conference that "international terrorism will take the place of human rights" as a foreign policy priority. The administration publicly considered discarding the term "human rights," with its legal and historical meaning, and substituting "individual" or "personal" rights. Senior officials spoke of eliminating the State Department's Human Rights Bureau, and a staunch opponent of human rights was nominated by the President to

head the Bureau. The nominee, Ernest Lefever, believed that beyond "serving as a good example . . . there is little the U.S. government should do to advance human rights." Although the Senate Foreign Relations Committee overwhelmingly rejected his candidacy, the White House insisted that Lefever was "the man for the job." On the one occasion that President Reagan advocated a role for human rights, in a speech to Holocaust victims, a White House spokesman later explained that he "had not meant to alter his policy of playing down the rights issue in foreign relations."

Under international law, most notably the United Nations Charter, the U.S. is obliged to speak out and take action against abridgements of human rights. Under its domestic law, Section 502b of the Foreign Assistance Act, the U.S. is required to promote increased observance by all countries of "internationally recognized human rights." Moreover, the U.S. is obliged to make its military and economic assistance contingent on the observance of human rights, under Sections 116 and 502b of the Foreign Assistance Act, enacted by Congress in 1975 and 1976 and reaffirmed each subsequent year.

The Reagan administration has exhibited little inclination to comply with these international and domestic legal obligations. In fact, the President declared that he was opposed to public statements or sanctions against "pro-Western" countries. In his view, the overriding foreign policy priority was containment of Soviet aggression, which required seeking close relations and visible ties with all "anticommunist" governments.

This attitude explains the major change in U.S. policy toward Argentina. General Roberto Viola was among the first heads of state to be received by President Reagan. Prior to his arrival, eight leaders of the human rights movement in Argentina were arrested and held incommunicado for a week; two trade unionists were abducted and tortured; 68 mothers of disappeared persons were detained by the police for several hours. Ignoring these events, the Secretary of State declared that human rights conditions in Argentina had "substantially" improved, and the administration successfully pressed Congress to repeal its embargo on military assistance and sales to that country. The U.S., furthermore, reversed its position in the multinational banks and voted to support loans to Argentina. At the U.N. Human Rights Commission, the U.S. endorsed Argentine efforts to weaken U.N. action on disappearances.

President Reagan likewise invited the military dictator of South Korea to Washington, publicly praised his "commitment to freedom," and effectively strengthened U.S. military and police ties with that government. In the months before his arrival, General Chun Doo Hwan had seized power by force; suppressed mass demonstrations for democracy; and imprisoned his political opponents. In the Philippines, Vice President Bush embraced the corrupt Marcos dictatorship after a government-controlled election, saying, "We love your adherence to democratic principles and democratic processes."

Close identification with repressive regimes has been bolstered by a policy of unrestrained arms sales. A July presidential policy directive conspicuously omitted reference to human rights in a list of seven factors to be weighed in deciding whether to provide arms to foreign governments. The result has been extensive military support

to a large number of regimes abusive of human rights, extending from Pakistan to El Salvador. Many of these governments had previously been denied U.S. weapons on human rights grounds.

United States laws prohibiting the sale of police equipment to human rights violators have also been disregarded. The Reagan administration has sold police equipment to Taiwan, Syria, South Korea, and the People's Republic of China, directly assisting those governments' internal security forces which are responsible for most of the human rights violations in those countries.

The administration has, on occasion, argued that its "security relationship" with repressive governments "can sometimes also enhance our ability to persuade other countries to improve their human rights situations." However, there has been no evidence that the U.S. has used any leverage to promote reform. In El Salvador, for example, rights violations by government security forces have intensified with increased military assistance. In Taiwan, the security police, after receiving U.S. police equipment, tortured to death Professor Wen-Cheng, a U.S. permanent resident who was visiting Taiwan last July.

Economic interests have taken precedence over human rights concerns. The administration introduced a policy of "constructive engagement" with South Africa, claiming that "important Western economic, strategic, moral, and political interests are at stake." President Reagan stated that we could not "abandon" a country which produces minerals we all must have. Administration officials, seeking to make this accommodation with South African racism more palatable, have cited "improvements" in South Africa's human rights situation. Ambassador Jeane Kirkpatrick even told the press: "South Africa's political system has some good elements in it—it is a democracy for whites. . . ."

Commercial considerations influenced the decision to lift human rights sanctions against Chile. One of the administration's first acts was to end the ban on Export-Import Bank credits to Chile to facilitate the purchase of U.S. goods. The sanction had been imposed in 1979 following Chile's refusal to prosecute or extradite to the United States the Chilean police officials responsible for the political murders in Washington of Chilean exile Orlando Letelier and his American colleague Ronni Moffitt.

Even with respect to the Soviet Union, economic benefits have taken precedence over human rights. The U.S. lifted its wheat embargo and proceeded with technology sales despite continued Soviet occupation of Afghanistan; the arrest and trial of leading dissidents; and the President's expressed view that the Soviet Union is the "greatest" human rights violator in the world, requiring "exceptional" treatment. To expand business with the U.S.S.R., the administration, prior to the Polish crisis, considered seeking repeal of the Jackson-Vanik amendment which prohibits trade concessions to communist countries which restrict emigration. The repeal would have eliminated concern for human rights from our economic relationship with the Soviet Union, at a time when Jewish emigration was at its lowest point in years.

The sole method to advance human rights put forward by this administration has been "quiet diplomacy." However, without strength behind it, quiet diplomacy cannot be effective and U.S. actions have shown very little of such strength. There are ex-

ceptions—quiet diplomacy for hunger-striking Soviet physicist Andrei Sakharov was buttressed by a public statement. And, when traditional diplomacy failed to help Solidarity in Poland, the President publicly defended the rights of the Polish people and introduced sanctions against the government.

The administration has not done the same for non-communist victims. It may have helped to reduce the sentences of Kim Dae Jung and other South Korean prisoners. But any quiet diplomatic initiatives undertaken in countries like the Philippines, El Salvador, or South Africa have been rendered meaningless by its many actions in support of those regimes.

The administration has rationalized its inaction on human rights with the theory that there is a distinction between "authoritarian" and "totalitarian" regimes. According to Jeane Kirkpatrick, authoritarian countries friendly to the U.S. are only "moderately repressive," whereas totalitarian governments are worse violators of human rights, are less apt to change, and require stronger human rights actions. How one can classify torture, widespread disappearances, and arbitrary detentions without trial as "moderate" is not explained. The Senate Foreign Relations Committee rejected this theory when it rejected Ernest Lefever. "Dead is just as dead if you're killed by a rightist as by a left-wing government," declared Republican Chairman Charles Percy.

A corollary to this theory is that efforts to enhance human rights in authoritarian regimes are dangerous to U.S. interests because they disrupt "law and order." To the Reagan administration, opponents of authoritarian governments are by definition "terrorists" whereas opponents of communist governments are "dissidents." Thus, President Reagan posed for photographs with Soviet dissidents in Washington and Ambassador Kirkpatrick refused to meet with human rights leaders when visiting Argentina and Chile. Secretary of State Haig even speculated that the rape and murder of American nuns in El Salvador followed an "exchange of fire" after the women ran a "roadblock" against the armed forces—a theory refuted by the F.B.I. and the evidence.

This administration's preference for human rights actions against totalitarian regimes has not resulted in consistently strong, meaningful actions directed at those governments. In fact, the administration sold police equipment to Yugoslavia and the People's Republic of China. It waived the Jackson-Vanik Amendment for Romania despite restrictive emigration practices. It remained silent on trials in Czechoslovakia.

Over the past year the administration has signalled to the world that it is not in our national interest to advance the cause of human rights. Appeals on behalf of select individuals in the U.S.S.R. and public statements about Poland do not constitute a human rights policy. State Department officials have themselves expressed concern about pursuing a foreign policy that does not reflect American values. The Department's November memo pointed out that the greatest beneficiaries of such a policy are our adversaries. "Neutrality abroad and a sagging domestic spirit" are the products of this absence of a commitment to defend democracy and freedom. "While we need a military response to the Soviets," asserted the memo, "we also need an ideological response. . . ." It went on to recommend that the U.S. stop "simply coddling friends and



criticizing foes. Despite the costs of . . . a human rights policy, it is essential."

It is evident that the Reagan administration's close ties with repressive governments have alienated many around the world who look to this country for leadership in their struggle for human dignity. The credibility of U.S. initiatives on behalf of communist victims has even been undermined by its support of repression in other areas. The administration's policy has created a climate that makes it easier for governments to increase violations of human rights. Its military and police support for repressive regimes has directly contributed to such violations. Its unqualified endorsement of dictatorships has helped retard transitions to democratic or civilian rule. It has denied moral support to countless victims through its lack of candor about the human rights practices of their governments.

The administration still has time to develop a human rights policy that is strong, consistent, and effective. This will require abandoning the short-sighted perception of U.S. interests and pursuing human rights objectives worldwide as forcefully as military and economic concerns. Priority will have to be accorded to human rights and leverage made available to support human rights initiatives. The record of the first year affords little optimism that this will be done.●

#### THE PEACE CORPS IN NIGER

#### HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. LEACH of Iowa. Mr. Speaker, last year the Peace Corps, under the able leadership of its current Director, Loret Ruppe, celebrated its 20th anniversary. During those 20 years, the Peace Corps has quietly, and often with little public acclaim or recognition, gone about its mission of sharing with millions in developing nations around the world the knowledge and skills essential toward building a better life for themselves and their communities. In Niger, one such country which has felt the special Peace Corps presence, an article appeared in a daily newspaper late last year which has since been translated and which I would like to share with my colleagues. An informal translation from the French text follows:

[Le Sahel Quotidien, Translation From French by Deborah A. Harding]

#### TWENTIETH ANNIVERSARY OF THE PEACE CORPS

Recognition of the American Peace Corps Volunteer is rare, even though this year the Peace Corps celebrates its 20th anniversary. Since its creation, more than 80,000 Americans have served as Peace Corps Volunteers in 75 countries. Still today, the mystical spirit of the Peace Corps Volunteer continues.

The first project of the Peace Corps in Niger began in September 1962 with the arrival of a group of 7 teachers. In 17 years the program has diversified and today there are 17 projects with 130 volunteers serving all over the country. These projects are in agriculture, particularly crop protection and

pasture-land management; rural development, with volunteers assigned to the Water and Forestry service; public health, with nurses, lab technicians and nutritionists; and lastly national education with volunteers in language teaching, pedagogy, P.E., vocational education and television production.

The Peace Corps Volunteers offer technical assistance, contribute to a better understanding of the American culture by Nigeris and to a better understanding of Nigeris and their culture by Americans.

The volunteers, of which 60 percent are women, come to Niger with various perspectives because of the nature of the recruitment/publicity of the Peace Corps in America. They want to travel, learn a new language, live in a mud hut in the bush, be immediately accepted by the villagers, be a part of a racial minority if they are white, be challenged by a job and promote development and world peace. After three months of technical and cultural training, they have a more realistic concept of what to expect. They are taught their professional, personal responsibilities as civil servants working for the government and the people of Niger.

Examples of tasks undertaken by 4 volunteers follow: the first volunteer is assigned to the technical Center for Agriculture; the functions there are to increase food production by increasing harvests. His task is to work with the farmers for an entire agricultural season and to use advanced methods and even more to encourage men as well as women to read and write. The volunteer can bring about all sorts of things, repair agricultural equipment which is defective, determine whether the farmers can really use the advanced methods, and if not, why not.

One volunteer works in fisheries as a counterpart to a Nigerian technician in the Waters and Forestry Service. He or she can live with migrant fishermen who travel from one place to another, wherever there is work, collecting data on production and conditions in the marshes and in the fish ponds and helping and advising on reproduction of fish.

One volunteer specializing in the problems of nutrition works for the Ministry of Public Health and Social Affairs in the maternal and child health protection service. These activities concentrate on teaching basic nutrition to mothers and therefore to their families.

Lastly, one volunteer works as an English teacher—this is taught as a foreign language—giving 18-24 hours of course work each week in a secondary rural school. Beyond his/her secondary project such as (school) gardening, work in a local dispensary, the volunteer can be asked to teach art or P.E. or direct a theatre group or set up a library.

#### WHAT DO THE VOLUNTEERS LEARN IN NIGER?

The new Peace Corps Volunteers often ask "what do all these 'fofos' and 'ina kwanas' mean?" "because they seem to convey very little information?" In fact, we tell them that it doesn't mean anything in the western sense, but it's the way to recognize the presence of another person and to show him respect and that is an integral part of life in Niger. Often it is thus that the "education" of the American volunteer begins, for he must learn to adapt to a different culture from his own and to gain the respect of those with whom he is living.

<sup>1</sup> Fofos is the greeting in Djerma. Ina Kwana is the morning greeting in Haoussa.

Often and sadly a new volunteer hides in his or her house, only leaving to go to work. But as his fear of the "unknown" lessens and he begins to learn what African culture is, he risks more and more going to his neighbors and colleagues homes, who most often offer him a warm welcome, who put him at ease and who teach him how to live with people. To be sure, he retains his American identity, whose characteristics are of interest to his close Nigerian friends, but he learns more and more to get involved in Nigerian life and to stay open to new experiences.

Among the volunteers, there are those who find their satisfaction in the accomplishment of a difficult task under painful conditions. One such volunteer said: "I almost went home 6 times. At the beginning the isolation and the separation from my parents and friends in the USA was intolerable. Now, after having lived for 2 years as a participant in a different culture having different mores, I have gained an understanding and an appreciation of life that I could never have had otherwise. Here is a different world than ours, with its own concepts and definitions of words which I thought I knew and understood. I had to re-learn the sense of some words, such as love, friendship and courage.

In short the volunteers see themselves differently after 2 years in Niger. They know themselves better than at the beginning and they find themselves to be more open and more sensitive for having lived here. When they leave for the U.S. they can say with ease that Niger and the Nigerians have helped them as often, if not more, than they helped Niger.●

#### TRIBUTE TO SGT. DANIEL D'ANNUNZIO

#### HON. LYLE WILLIAMS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. WILLIAMS of Ohio. Mr. Speaker, I would like to commend Sgt. Daniel D'Annunzio, a deputy sheriff in Trumbull County, Ohio, on his being awarded the American Legion Law Enforcement Recognition Award.

Sergeant D'Annunzio is a dedicated law enforcement officer who possesses the characteristics and traits of a well-rounded deputy sheriff. In the words of Trumbull County Sheriff Richard A. Jakmas, "Sergeant D'Annunzio projects pride and self-confidence and is able to obtain respect and deference when dealing with the public. He is a high achiever and a hard worker who is dedicated to the law enforcement profession."

Sergeant D'Annunzio is well respected by his fellow workers and is always striving to improve his professional skills by participating in training courses. He has an unblemished personnel record and has been involved in every imaginable type of police investigation and activity. He is personally responsible for the arrest of many persons who have been subsequently prosecuted successfully.

On August 14, 1981, Sergeant D'Annunzio, following a series of leads in a case involving a house burglary, confronted the suspect. The suspect shot Sergeant D'Annunzio in the upper thigh with a shotgun. Sergeant D'Annunzio was hospitalized in critical condition. Fortunately, he has effected a complete recovery and is back on duty in his same assignment showing as much interest, initiative, and aggressiveness as he did prior to his wounding. His assailant, you may be interested to learn, was arrested by other Trumbull County sheriff's deputies and is currently incarcerated in the Ohio State Penitentiary after having been convicted of felonious assault, aggravated burglary, and unlawful possession of dangerous ordnances.

In my opinion, Sergeant D'Annunzio is a law enforcement officer of the highest caliber. He brings credit to himself, his family, his coworkers, and to police officers everywhere.●

#### GPO WAGES

### HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. GINGRICH. Mr. Speaker, my colleague on the Joint Committee on Printing, Senator JOHN WARNER of Virginia, recently received information from the Comptroller General of the United States that I want to share with my colleagues.

The Comptroller General's information indicates certain classes of workers at the Government Printing Office are getting higher than average wages.

For instance, according to the Comptroller General, carpenters at GPO are paid 28 percent higher wages than carpenters in any other Federal agency.

Clearly, the wage scales at GPO will have to be reformed. I urge my colleagues to support efforts to do that, in the interest of fairness to all Federal employees.

The Comptroller General's information follows:

#### COMPTROLLER GENERAL

OF THE UNITED STATES,

Washington, D.C., May 11, 1982.

HON. JOHN W. WARNER,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR WARNER: This letter is in response to your May 3, 1982, request asking us for any information we might have on the Government Printing Office's (GPO's) wage-setting practices.

In 1976, we issued a report to the Public Printer in which we expressed a number of concerns about the wage determination procedures used at GPO. As discussed in that report, GPO employees' wages were higher than those paid to other Federal and private sector employees doing similar work in the Washington, D.C. area. Enclosure I is a copy of that report.

More recently, we are just completing a review which compares wages paid to Feder-

al employees who collectively bargain to wages paid to Federal employees whose pay is set administratively. GPO was one of the agencies included in the review.

In conducting our current review, we analyzed the prescribed duties of certain GPO craft employees and, with the assistance of Office of Personnel Management classification specialists, matched those occupations with comparable occupations included under the Federal Wage System (FWS)—the system used for most other blue-collar employees in the Government. We then compared GPO wages for six occupations with rates paid under the appropriate FWS schedules for the Washington, D.C. area. As shown in enclosure II, GPO employees in all six occupational comparisons were paid more than their FWS counterparts.

Please let us know if we can be of further assistance.

Sincerely yours,

CHARLES A. BOWSER,

Comptroller General

of the United States.

#### COMPARISON OF GPO AND FWS WAGE RATES<sup>1</sup>

Occupation	GPO pay rate	FWS rate <sup>2</sup>	Difference	
			Amount	Percent
Bookbinder	\$27,230	\$24,573	\$2,657	10.8
Compositor	27,685	23,320	4,365	15.7
Carpenter	27,419	21,286	6,133	22.8
Electrician	27,419	22,410	5,009	22.4
Forklift operator	18,009	16,559	1,450	8.8
Janitor	14,600	12,028	2,572	21.4

<sup>1</sup> Because of differences in the number and timing of wage adjustments, we determined annual earnings by computing a weighted average hourly wage rate and multiplied it by 2,080 hours, the number of hours in an 8-hour day, 260-day work year.

<sup>2</sup> Bookbinder and compositor were compared to the FWS "Lithographic and Printing Plant Wage Schedule" and the other occupations were compared to the FWS regular wage schedule. Comparisons to the regular schedule were made at step 5 which is the highest step of the FWS pay schedule. Step 5 is 12 percent higher than step 2 which is the average prevailing private sector rate.●

#### FAIR PRAISE FOR KNOXVILLE

### HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. DUNCAN. Mr. Speaker, the 1982 World's Fair in Knoxville is only a little over a month old, yet it has already entertained and attracted over 2 million visitors. While I could express my own praise of this fair, I think my colleagues may be more interested in the views of visitors from the East, Midwest, and West. The following letters appeared in the May 31 issue of the Knoxville Journal.

EDITOR, THE JOURNAL: During the opening week, we spent three days in Knoxville and visited the fair two days. We congratulate you, people of Knoxville.

The fair was everything the promoters promised: an informative, concentrated exhibit of energy. From the oxcart to jet propulsion, from the woodpile to nuclear fission.

The exhibitors who deviated from the theme, like Folklife, Tennessee Sings, China, Peru, Egypt, etc. were frosting on the cake. Pleasantly missing was the unsavory carnival-barker type atmosphere sometimes associated with fairs. The vendors and fair personnel were courteous, pleasant and helpful.

Getting around Knoxville was easy. Directional signs were adequate, to the point and strategically placed. The routes were clearly marked, well lighted and showed signs of good housekeeping.

At no time, day or night, did we feel apprehensive for our personal safety. We send a special thanks to Mayor Tyree and his administration and to the law agency in charge of security, for making strangers feel safe and secure and providing a pleasant atmosphere.

MR. AND MRS. FELIX TYSZKO,

Fredonia, N.Y.

EDITOR, THE JOURNAL: After reading your paper, we were not sure what we would find at the fair. Perhaps we would have a good time, perhaps not.

So we came anyway, hoping for the best. We were in Knoxville the week of May 10, spending May 11 and 12 at the fair. We and 70,000-to-80,000 people had a grand time.

The fair was full of many people of all ages who just wanted us to have a good time, most of them with a big smile. And outside the fair, from bellhops, clerks and cops, to the hotel manager, everyone was most helpful and friendly—and smiling.

The fair itself was great. If all of the Knoxvilleans can keep up the great poise throughout the summer until October, you all will have made many great friends for Knoxville.

FRED W. BAUMGARTNER,

La Grange, Ill.

EDITOR, THE JOURNAL: Just returned home to New Jersey from your World's Fair and had to take the time to write and thank your city and people for the way we were treated. The bus drivers, waiters and waitresses, campground personnel, storekeepers, etc., were the friendliest and nicest people we ever met. Your city is really great. We stayed at Fireside Campground and we would also like to thank Mr. Bill Mullins and his staff for the hospitality we were shown while we were there.

I think Knoxville did themselves proud for the way their beautiful World's Fair turned out.

MRS. WILLIAM SOMMERS,

Tuckerton, N.J.

In addition to the views of these visitors, the San Francisco Chronicle looked upon the fair with envy. The following guest editorial from the Chronicle appeared in the May 16 issue of the Knoxville News-Sentinel.

We are a bit envious these fine spring days of the folks in Knoxville, Tenn., (population 184,000) because all they have to do is hop aboard a bus downtown to arrive at their own World's Fair within a couple of minutes. We are envious and a bit wistful, of course, because we have a bagful of memories of the adolescent excitement when we could go over the still new Bay Bridge, fresh out of its Erector set, or board a Key System ferry for a quick sail to the most wondrous event of our youth, the 1939-1940 Golden Gate International Exposition at Treasure Island.

In Knoxville today, the good people are eating Chinese, Japanese, German and French food, the likes of which have never been tasted that close to the Great Smokies. They're taking ride up the 27-story Sun-sphere (every fair these days has got to have a tower: Remember the Trylon and Perisphere at Flushing Meadows? The



Space Needle at Seattle?). And in little, old previously-unpretentious Knoxville right now, it is only a few steps walk from the chariot of King Rameses II, who presided over Egypt from 1292 to 1225 BC to a selection of bricks from the Great Wall of China. We bet it is the first time ever that those two objects have been in adjacent pavilions. And, you can bet, there has never been anything vaguely similar to this in the history of Knoxville or many other cities of such modest size.

The fair is expected to bring a huge new flow of tourists (three new hotels have been built) not only to Knoxville but also to motels, hotels, and restaurants within a 100-mile radius. This means a big boost in business, in a time of recession, for Eastern Tennessee but also for portions of Kentucky, North Carolina, Georgia and Virginia which are close by. The promoters say that all roads lead to Knoxville this summer and the people along those roads anticipate that they will be feeding, housing and fueling the multitudes as long as the big party lasts.

Knoxville did what Spokane did in 1974 to push itself into the national spotlight. It took an area of flophouses and unneeded railroad yards, applied the tools of redevelopment and created a temporary jewel complete with some buildings which will be permanent. Twenty-two foreign nations took space, including the People's Republic of China which is participating in the first international fair for China since the St. Louis Exposition of 1904.●

#### SCARCE SUPPLY OF CREDIT

**HON. THOMAS A. DASCHLE**

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. DASCHLE. Mr. Speaker, some of our major corporations are wasting billions of dollars of the Nation's scarce supply of credit, and the Federal Government is partly to blame.

When corporations like Mobil and United States Steel borrow billions of dollars to buy up other companies, they use up credit that would otherwise be available for our farmers and small business people. Tighter credit and higher interest rates are the result.

The best available estimate suggests that corporations used up over \$30 billion of the Nation's credit supply last year just buying and selling one another.

This corporate credit guzzling "crowds out" productive borrowing just as much as does the Federal deficit.

What is worse, the Federal Government actually encourages this credit waste. A number of loopholes in the Federal income tax laws reward corporations for this unproductive behavior.

It is not the free market that is motivating many of these acquisitions. It is the perverse Government incentives that are written into our income tax laws.

My colleague from North Dakota, Representative BYRON DORGAN, alerted

us to this problem by introducing H.R. 4562, the First Things First Credit Act of 1981. Since then, a number of additional proposals have been introduced. On May 24, the Selected Revenue Measures Subcommittee of the House Ways and Means Committee held hearings on these proposals, at which Mr. DORGAN testified. In my view, his statement cut to the heart of this important issue, and for that reason I offer it here for the benefit of my colleagues.

#### STATEMENT OF CONGRESSMAN BYRON L. DORGAN

"When top-drawer borrowers, such as DuPont, Seagram, and Mobil, hit the banks for multibillion dollar loans to finance merger bids, there is less left for small business, would-be homeowners, or other borrowers."—Business Week editorial, August 3, 1981.

"Takeovers by the corporate giants have weakened or destroyed countless thousands of small and medium-sized businesses that were star performers when they were independent."—Arthur Burck, securities lawyer and merger specialist, in interview in Fortune magazine, October 19, 1981.

Imagine another gasoline shortage. People are sitting for hours in sweltering gas lines that stretch on for blocks. At the same time, an enormous fleet of Mac Trucks is parked in a lot, their engines racing. The trucks never go anywhere. They never carry any freight. They just keep trading parking spaces with one another, racing their engines and burning gas.

Imagine further that the federal government helps to buy the gasoline for this fleet of go-nowhere trucks.

That is almost precisely what is happening with this nation's scarce supply of credit.

Credit is the gas on which our economy runs. It is in short supply. The price is so high that many business people and farmers cannot afford it. Bankruptcies are at record levels. The entire economy is sputtering.

#### CREDIT GUZZLERS

Yet many of our largest corporations are guzzling billions of dollars of our scarce credit for purposes that are about as useful as the Mac Trucks gunning their engines in the parking lot.

They are not using these loans to build new factories or to buy new machines. They are not creating new jobs, except for the lawyers and accountants who grow rich orchestrating megadollar paper shuffles. Instead, they are draining the nation's credit supply merely to buy and sell one another—to trade places in the economic parking lot.

Corporations spent over \$82 billion last year playing this monopoly game. That was more than double the amount so spent the year before. If that \$82 billion had gone into new factories and equipment instead of into buying up other companies, we could have increased business investment 25 percent last year.

The \$82 billion that corporations spent buying up another last year was many times the amount they will receive in tax cuts next year. We could have provided a much greater spur to new investment, at virtually no cost to the U.S. Treasury, if, instead of those new tax giveaways, we had simply channeled some of the \$82 billion in more productive directions.

A substantial portion of these takeovers was financed with borrowed money. Nobody

knows exactly how much. After examining the financing for the 33 largest deals, the Consumer Federation of America estimated that approximately \$34 billion in credit was used for all such takeovers last year.

#### TAKEOVER TOLL

And that's just the beginning. When you count the credit commitments made to companies that tried to take over other companies, and the commitments made to target companies to help them fight off such attempts, the CFA estimates that a total of approximately \$70 billion of the nation's credit supply was diverted into the corporate takeover wars.

How much credit is \$70 billion dollars?

It's almost as much as the total value of everything American farmers grew last year. It was enough to finance all farm operating loans made by insured banks in all 50 states in 1980—two times over.

Look at it another way. The \$5.5 billion line of credit that Mobil used in its effort to buy up Conoco, was enough to finance all the business and farm operating loans in my state of North Dakota that year, three times over.

This Administration's Dr. Spock-like permissiveness regarding big corporations and their merger plans, no doubt is partly responsible for this torrential credit drain. But we in Congress must share the blame. A number of provisions in the federal income tax laws—for which we are responsible—actually encourage and subsidize the waste.

#### STUDENT LOANS FOR CORPORATIONS

For example, when a corporation like Mobil borrows money to buy another company, it can deduct the resulting interest payments from its federal income taxes. In effect, the U.S. Treasury chips in about 46¢ for every dollar in interest such corporations pay.

It's like a subsidized student loan program—for corporate mergers. And while we cut the student loan program, the merger subsidy program keeps growing bigger.

It's also doing us great harm.

The guzzling of credit for corporate mergers and takeovers means less for everyone else—and higher interest rates.

#### SNOUTS AT THE TROUGH

There's been a lot of talk about how the federal government's appetite for credit is "crowding out" other borrowers. There's truth in that. But the federal government isn't the only big snout at the nation's credit supply trough. This wasteful corporate borrowing is right in there too. As Business Week Magazine put it in an August 3, 1981 editorial, "When top-drawer borrowers, such as DuPont, Seagram, and Mobil, hit the banks for multibillion dollar loans to finance merger bids, there is less left for small business, would-be homeowners, or other borrowers."

In other words, the \$70 billion in credit that went into the merger and takeover wars meant \$70 billion less—and higher interest rates—for the Main Street businesses, the farmers, the builders, the individuals who want to buy homes and cars.

These higher interest rates in turn put many smaller businesses so deep in the hole, that they have to choose between selling out to a larger company, or going bankrupt. In this way the corporate merger spree becomes a syndrome that keeps feeding upon itself.

This isn't just a problem for smaller businesses, moreover. It is a monkey wrench in our entire economy.

Consider the billions of dollars Congress spent last year on new corporate tax cuts, that the Administration persists in calling an "economic recovery" program. We were told that those new tax breaks, that went primarily to the very largest corporations, would be used to invest and build and create jobs and prosperity. But that didn't happen. Instead, much of those billions disappeared down the merger and takeover drain.

#### STEEL'S ROVING EYE

Consider the United States Steel Company. Steel companies have been blaming their troubles upon the Japanese, the Koreans, the federal government, on just about everyone. If there is one industry that needs new plant and equipment, it is steel. Yet when U.S. Steel accumulated a sizeable bank account, through new tax breaks and otherwise, did it build a new steel plant?

No. It went out and paid \$6 billion for an oil company.

How can we ever have a healthy steel industry, if our steel industry itself loses interest in building a healthy steel industry, and if our federal income tax laws encourage our steel executives' roving eye?

What good does it do to give billions of dollars in new tax breaks to big corporations, supposedly for new investment, when tax breaks already in place encourage these corporations to use this money instead simply to take legal title to old investments?

We are always talking about creating new loopholes—politely call "incentives"—when we ought to be talking about eliminating some of the loopholes that impede economic recovery.

It's not just the diversion of capital, moreover. Perhaps more important is the diversion of the time and energy of our corporate executives themselves.

Instead of spending their time designing and producing better products, they sit around plotting like pirates to take over other companies, or to defend their companies from such pirateering.

Just look at the top executives in our major corporations. Increasingly, they are people who don't know a thing about production processes or products. The Henry Fords and the Thomas Edisons have given way to the finance wizards who generate profit without creating wealth. Our economy is performing accordingly.

#### LESSON FROM JAPAN

On this point we can learn a lesson from the Japanese. In Japan, takeover battles are rare. Japanese law makes them very difficult. Partly as a result, Japanese executives can spend their time developing and producing better products and selling them all over the world. They can use their nation's supply of credit in a similarly-productive fashion.

Each will draw his or her conclusion on whether the Japanese approach to takeovers, or ours, is working better.

While corporate takeovers are diverting the attention and energies of our executives, they are engulfing the genuine producers in our economy in a sea of conglomerate paperwork and red tape.

Traditionally, opponents of such mergers have talked about the lessening of competition. That's important. But equally important is the loss of the initiative and vision of individual entrepreneurs that has always been the spark that has kept our economic engine moving.

When a giant corporation like Exxon buys up another company especially a smaller one, people who were accustomed to making

their own business decisions, taking their own risks, suddenly find themselves forced to push paper through endless channels and higher-ups just to make simple business decisions.

#### FILLING OUT THE FORMS

"It can take a year to get approval for a strategy change," the cofounder of one small company gobbled up by Exxon complained to *Business Week* magazine. "The speed at which Exxon moves is incredibly slow."

"It's a full time job just filling out all the forms Exxon wants," grumbled the founder of another small company that lost its independence to Exxon's empire-building appetite.

And an engineer for an independent oil company taken over by Tenneco moaned to a *Wall Street Journal* reporter, "It took me eight weeks to get management to approve a work order just to move a telephone inside my office."

This stifling conglomerate bureaucracy can be the kiss of death for the smaller, more enterprising businesses so acquired. A recent study at the Massachusetts Institute of Technology found that small companies taken over by larger ones fail much more frequently than do those that remain independent.

"Takeovers by the corporate giants have weakened or destroyed countless thousands of small and medium-sized businesses that were star performers when they were independent," Arthur Burck, nationally-known securities lawyer and merger specialist, told *Fortune* magazine last October.

If we wanted to crush the spirit of initiative and individual risk taking in America, and to cut off our free enterprise system at its roots, we could find no better way than to let the current corporate merger spree go unchecked.

#### JEFFERSON'S WORRY

The opportunity to be your own boss, and to achieve the financial independence that enables you to speak your mind in public affairs, in part of what America is all about. Jefferson held the view that business independence is essential to democracy. He did not think democracy could survive if economic power became concentrated in a few hands.

If Jefferson were with us today, I think he would be worried.

It isn't just a question of economic efficiency. It's doubtful that an economy dominated by a few large corporations can be very efficient even in an economist's sense. But even if it were, that wouldn't be the end of the matter. America stands for more than efficiency. It stands for opportunity, for community—for values that have made us a light of the entire world.

Community is not hydroponic. It does not grow in thin air. Community requires an economic culture of local business people who do their business with local banks and suppliers, who know their customers and employees face to face. It requires business people with homes and children and a consequent personal stake in the community's well being.

Locally-owned businesses are a cohesive force that helps to bind together all the rest.

#### BAIL OUT

When locally-owned businesses are bought out by larger ones, all this changes. There are no more roots. Local banks and suppliers are shunted aside. The factory or supermarket or fast-food outlet becomes just a

line item on a conglomerate balance sheet. If times get rough, they don't roll up their sleeves with their neighbors. More likely, they bail out.

The current Administration speaks admirably about "community." But then they become cheerleaders for the mergers and acquisitions which frequently destroy the economic basis of the very communities that they say they value so highly.

Some will disagree. They will offer sophisticated arguments on how corporate mergers advance "efficiency" and other abstractions from the economic texts. They will say, in effect, that the very fact that these mergers occur, makes them somehow right.

Obviously, not every corporate acquisition is to be regretted. Sometimes the owners of smaller businesses want to sell out and retire. Sometimes, acquisition by another company is the only alternative to collapse. But such mergers would happen anyway, without special provisions in the tax laws pushing in that direction.

The major mergers we have seen of late do not fit these categories of innocence. When U.S. Steel bought Marathon, it was not a case of the tired head of a family business selling out so that he could move to Florida. Nor was it a distress sale.

Rather, U.S. Steel had its eye on, among other things, the billion dollars in special tax breaks it stood to gain from this deal. That was in large measure, a tax-loophole-induced merger.

#### LAWYERS' BONANZA

"Whatever new practice areas lawyers dream up," declared *Fortune* magazine recently, "it's doubtful that they will ever strike a bonanza as big as takeover work." Fees for this work, according to *Fortune*, run \$400-\$600 per hour, or over three times what someone working for the minimum wage will make in an entire week. The two leading merger lawyers in New York City each take home over one million dollars per year.

When Mobil and U.S. Steel were battling to buy up Marathon oil, the lawyers who conducted this fracas made over \$10 million dollars. And when du Pont bought Conoco, the cut for the investment bankers was \$29 million.

#### GOOD WORK IF YOU CAN GET IT

Corporate executives benefit as well. The management consulting firm of Towers, Perrin, Forster and Crosby found that chief executives at the 100 largest industrial firms make more than twice the compensation enjoyed by their counterparts at firms ranked 400 to 500. The bigger the company, the bigger the boss's paycheck, and this alone is an inducement to the boss to try to make the company bigger, fast.

We might as well face it. Corporate mergers and acquisitions have become a train of handsome gravy for the lawyers, accountants, executives and financiers who have a piece of this action. Many who oppose the legislation before us today, fall into this group.

I am not suggesting that those with an economic interest in mergers and takeovers have nothing of value to say on the subject. But big mergers do mean big dollars for those involved, and such people may not be inclined to look too critically upon the hand that feeds them so well.

It is my view that we should discourage mergers and acquisitions, so that the energy and resources of our business people can flow in more constructive directions, and so that the economic basis of our communities



and of our democracy can flourish. At the very least, we should stop using the powers of government—specifically, the tax laws—to encourage and reward this form of behavior.

#### BACK TO FREE MARKET

I am not talking about interfering with the "free market." I'm talking about getting back to the free market—about eliminating the tax provisions that distort this market by encouraging corporations to do that which they might not do otherwise.

I am suggesting only that mergers and acquisitions stand on their own merits, and not on the back of the U.S. taxpayer.

The simplest place to start would be to eliminate the tax deduction for borrowings used in corporate takeovers and acquisitions. I have introduced a bill, H.R. 4562, the "First Things First Credit Act of 1981," to accomplish this.

As presently drafted, H.R. 4562 would apply only to takeovers that are fought by the company being acquired. To be sure, such contested takeovers can be the most monumental diversion of corporate energies and resources since the invention of the expense account. But, the ill effects of credit-financed mergers arise whether they are contested or not.

For this reason, I am now of the view that Congress should deny the interest deduction for all mergers and acquisitions when the combined assets of the companies involved exceeds a set amount, perhaps \$200 million.

Beyond this, I support in principle your own bill, H.R. 6295, which would eliminate a number of loopholes which give companies involved in mergers and acquisitions special bonuses not available to those who mind their own business. I have not had an opportunity to review this bill in detail. But clearly it is the direction in which our federal tax policy should go.

I want to commend you, Mr. Chairman, for holding these hearings today. It's about time Congress started looking at the way the loopholes and complexities in our tax laws have twisted our entire economy out of shape. Loophole-induced mergers and takeovers are exhibit number one. To eliminate these tomorrow would not be too soon.●

#### THE 21ST ANNIVERSARY OF AMNESTY INTERNATIONAL

#### HON. LES AU COIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. AuCOIN. Mr. Speaker, on May 28, Amnesty International celebrated its 21st anniversary. Throughout the world, those who believe in human rights of all individuals, regardless of political, religious, or other conscientiously held beliefs, joined in commemorating this special occasion.

Amnesty International is truly a singular organization. Over the past two decades, it has developed a reputation as an untiring and irreplaceable advocate of human rights. Amnesty International demonstrates to the prisoners and victims around the world who are subjected to arrest, torture, imprisonment, and execution that there are those who care. During its 21 years of existence, the organization has suc-

ceeded in helping over 15,000 "prisoners of conscience" gain release. It has accomplished such feats through unending letterwriting, publicity campaigns, legal assistance, missions, and the publishing of special reports.

These activities have raised public awareness of the urgent need for effective international protection of fundamental human rights. By awakening world opinion, Amnesty International encourages a potential regulating force which can exert pressure upon and perhaps check further human rights crises.

Amnesty International's unparalleled achievements have earned the organization worldwide esteem. In 1977 it was awarded the Nobel Peace Prize. In addition, it has been extended consultative status by the United Nations, the Organization of American States, the Council of Europe, and the Organization of African Unity. The organization is recognized for its unique ability to maintain political neutrality while actively upholding the rights of those persecuted by politicians.

I am pleased to bring to your attention, Mr. Speaker, successful efforts of the Portland, Ore. chapter of Amnesty International. One of the oldest chapters in the country, this group has participated in an impressive variety of projects since its founding in 1974. Portland members of all ages, backgrounds, and interests are brought together in pursuit of their common concern for humanity. Since its start 8 years ago, the group has investigated seven cases which have ended with the release of prisoners of conscience. In addition, the Portland chapter has been very successful in educating Oregonians of the underlying goals and functions of Amnesty International.

Currently, the Portland chapter is actively addressing the general human rights abuses occurring in Guatemala and South Korea. In addition, they are investigating the cases of 15 individuals being held in Poland, and have appealed to local authorities for safer, healthier prison conditions, and eventual release.

It is the combined efforts of this Portland chapter and the 100 or so other chapters around the country which have made Amnesty International the leading defender of human rights. The individuals working for the principles of Amnesty International should be commended for their unremitting struggle in support of the dignity and worth of every human being. We can only hope that more people will continue to rally behind the humanitarian efforts of Amnesty International, insuring a strong and positive future of this great organization.●

#### CONGRESSIONAL SALUTE TO THE RESIDENTS OF OAKLAND, N.J. UPON THE CELEBRATION OF THE 80TH ANNIVERSARY OF THE BOROUGH OF OAKLAND

#### HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. ROE. Mr. Speaker, on Saturday, June 12, the people of the Borough of Oakland and State of New Jersey will celebrate the 80th anniversary of the incorporation of the Borough of Oakland as a community encouraged and supported by people united together with purpose and progress in seeking to improve the quality of life, recreational and civic endeavors of the families of the Borough of Oakland. I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations to the residents of Oakland on this most noteworthy occasion.

At the outset I call your attention to the assiduous efforts of the members of Oakland's 80th Anniversary Committee under the general chairmanship of the Honorable Alexander Potash, a former distinguished mayor of Oakland, and the current distinguished mayor, the Honorable T. Emmet Bauer, in planning and presenting a gala celebration to commemorate and reflect on the history of the Borough of Oakland. The 80th Anniversary Committee roster of these exemplary citizens of Oakland is, as follows:

#### 80TH ANNIVERSARY COMMITTEE BOROUGH OF OAKLAND

The Honorable: Alexander Potash, General Chairman; T. Emmet Bauer, Mayor; Russell Minnetti; Johanna Vanderbeck; Edward Vanderbeck; Linda Thomas; Dorothy Whitney; Carol Pierce; Cheryl McCarthy; Dorothy Constances; Robert Highland; Chris Curran; Harry Litterst; Sue Steuerman; and Linda Schwager.

Mr. Speaker, it is appropriate that we also express our deepest of appreciation and commendation of the diligence and foresight that has been extended by all of the people of Oakland who have participated in its founding and operations throughout the past eight decades. I particularly commend to you the elected representatives of the Borough of Oakland who have earned the respect and esteem of our people for their outstanding public service and administration of a most important all-American community in the interest of all of our citizens. The current members of the governing body are, as follows:

#### GOVERNING OFFICIALS, BOROUGH OF OAKLAND

The Honorable: T. Emmet Bauer, Mayor; Angelo Lacatana, Councilman; John McCambley, Councilman; Russell Minetti,

Councilman; William Winterhalter, Councilman; David Patton, Councilman; John Del Corpo, Councilman; Jeannine Hickey, Clerk; W. Bruce Knapp, Jr., Tax Collector; Steven Schwager, Treasurer; Donald Hasenballg, Chief of Police; Sidney Stone, Borough Administrator; James Van Delden, Tax Assessor; and Dean Cole, Tax Assessor.

Mr. Speaker, with your permission I would like to insert at this point in our historic journal of Congress a profile on the early beginnings and establishment of the Borough of Oakland, as follows:

#### HISTORY OF THE BOROUGH OF OAKLAND

The Borough of Oakland was incorporated on April 8, 1902 by an act of the New Jersey State Assembly. Its territory consists of nine square miles and, at the time of its incorporation, the area was removed from Franklin Township. The Borough of Oakland is a valley surrounded by mountains, with the Ramapo River flowing through the valley. By nature, it enjoys a beautiful, natural setting.

It has a borough form of government: a mayor and six councilmen. The Mayor is elected for a four-year term and in previous years, it was a two-year term. Each of the councilmen is elected for a three-year term. Two of the six councilmen seek election each year.

The borough is primarily a "bedroom community," with most of its residents commuting to larger cities. In late years, it has developed three industrial areas, and has been fortunate in having in these areas clean, light manufacturing, warehouses and office buildings.

The Mayor and Council is assisted in the management of the community by a Planning Board, Library Board, Board of Health, Board of Adjustment, Shade Trees Commission, Recreation Commission, and Industrial Commission. Besides the Mayor and Council, the chief officers are: Borough Clerk, Tax Collector, Treasurer, Chief of Police, Business Administrator and three Tax Assessors, together with other various committees appointed by the Mayor and Council, to perform various special services.

The Police Department consists of the Chief of Police, a Captain, three Lieutenants and a total force of twenty-nine full-time, paid policemen. The new Police Station enjoys the best, modern, electronic equipment and was constructed with the aid of Congressman Robert A. Roe.

The Fire Department consists of two firehouses, located in strategic parts of town. The equipment is modern, including a tower truck. All streets are water mained and hydranted. All firemen are volunteers, except the officers, who are appointed by the Mayor and Council. They are well trained.

Oakland's First Aid Squad has their own building, two ambulances and their personnel has been trained to handle all emergency calls. They make no charges for their services. Once a year they hold a fund drive. They are radio equipped and are tied in to the Police Department radio system.

The Recreation Commission consists of seven members, appointed by the Mayor with the advice and consent of the Councilmen, and receive no salaries. The Recreation facilities are located on thirty acres of land, on which are five regulation tennis courts, nine baseball fields, some of which are converted during their seasons to football and soccer fields. The Borough also supplies needed equipment for the various games of sport. The Borough is very proud

of the recreation facilities and, for its size, feels there are none better in the state of New Jersey. Most of the personnel running the programs are volunteers. The Mothers Club and the Fathers Club assist in operating the recreation facilities.

The spiritual growth of Oakland has kept pace with its material growth. We enjoy the Jewish Community Center, the Messiah Lutheran Church, Our Lady of Perpetual Help Roman Catholic Church, P.I.M.E. Missions, Ponds Reformed Church, and the Ramapo Valley Baptist Church.

The Boards of Education are separate entities. The Ramapo Regional Board of Education consists of nine members who represent the towns of Oakland, Franklin Lakes and Wyckoff. One high school is located in Franklin Lakes, and the other is located in Oakland.

The local Board of Education manages four elementary schools, located in various parts of the community. Three of these elementary schools, go up to and include the 5th grade. The fourth, accommodates 6th, 7th and 8th grade students, specializing in the preparation of these students for high school entrance. All schools enjoy outdoor facilities for recreation and have "All-Purpose" rooms for physical education and lunches.

Mr. Speaker, the story of Oakland is the story of America. The Borough of Oakland is steeped in the history of the early settlers of our country and richly endowed with America's historic beginnings.

In reflecting on the Borough of Oakland's contributions to the cultural heritage and historic advancements of America, we join together in expressing our deepest of appreciation to all of the people of Oakland who throughout their lifetime have sought and achieved a quality of excellence which bespeaks the pioneering efforts of our forefathers and the traditions of a freedom-loving people dedicated to the American principles of democracy and a good family life for themselves and future generations to enjoy.

Mr. Speaker, in commemorating this historic event, I appreciate the opportunity to present the foregoing to you and seek this national recognition of the leadership endeavors manifested by the foresight and expertise of the residents of the Borough of Oakland and the lasting achievements that can be attained with people working together in a common endeavor—all contributing to the American way of life and the American dream.

We do indeed salute the governing officials and citizens of Oakland upon their commemorative observance and celebration of the 80th anniversary of the Borough of Oakland.●

#### BROOMFIELD COSPONSORS DOMESTIC CONTENT BILL

#### HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. BROOMFIELD. Mr. Speaker, Douglas Fraser, president of the United Auto Workers, very eloquently described the devastating impact of Japanese imports on the United States auto industry in testimony before a joint hearing of two subcommittees of the House Foreign Affairs Committee last week.

While his principal recommendation was for passage of a domestic content bill for vehicles sold in this country, his basic plea was for simple fairness in our trade relations with Japan.

I found his testimony particularly interesting because I have felt our trading relationship with Japan has for too long been essentially a one-way street.

As Mr. Fraser correctly pointed out, the automotive industry plays a major role in nearly every modern industrialized society. All of them have been faced with similar challenges from Japan. None have sat idly by and allowed the virtual destruction of that industry without taking protectionist measures.

In recent years, Germany, France, the United Kingdom, and Italy have each taken action to curb Japanese encroachment into their markets. In every case, those steps have been effective and, contrary to many predictions, have not caused the economic chaos that had been forecast.

In fact, Mr. Fraser said, there is evidence the Japanese respond positively when they are forced to by effective government policies.

Toyota, Nissan, and/or Mitsubishi have been investing heavily, or negotiating to do so, in Australia, Brazil, Italy, Korea, Mexico, South Africa, Spain, and the United Kingdom.

I agree with Mr. Fraser when he says that companies enjoying large volume sales in the United States should be investing their money here.

Japan does not invest in America simply because we do not require it.

Mr. Fraser believes, and I agree, that the time has come for the United States to insist on balance in its trading relationships with Japan. The \$16-billion trade deficit we incurred with Japan last year indicates that we are presently a long way from equity.

The auto industry, which accounted for \$13 billion of that deficit, is clearly the place to begin.

Mr. Fraser's remarks echo the sentiments of millions of American workers and many Members of this body, including some who are not from auto-producing States.



His message to the Subcommittees on International Economic Policy and Trade and on Asian and Pacific Affairs, is a clear signal that mandatory restraints will be placed on imports soon unless Japan makes a genuine, good-faith effort to work out our problems on a voluntary basis.

I have studied Mr. Fraser's testimony carefully and, while I have had some reservations in the past about the appropriateness of a domestic content bill, I am convinced that his arguments are grounded in commonsense.

As a result, I have today become the 213th cosponsor of this legislation in the hope that it will send a strong signal to our trade negotiators and to the Government of Japan that this Congress, at least, is dead serious about saving our domestic automotive industry.●

**PORTER CONGRATULATES  
SINGER PUBLISHING COMPAN-  
Y ON 56 YEARS OF SERVICE**

**HON. JOHN EDWARD PORTER**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. PORTER. Mr. Speaker, I take this opportunity today to recognize the outstanding achievements of Eugene and James Singer as Singer Printing and Publishing Co. celebrates its 56th anniversary.

Located in my home district, the 10th District of Illinois, the Singers' group of nine newspapers is one of the country's most successful independently-owned and published newspaper chains. In fact, the company's phenomenal success in reader and advertising acceptance during the 1970's is without precedent in the independent newspaper field. Dozens of other publishers throughout the Midwest have since followed Gene and Jim's example.

The success of the Singers' publications can be attributed to both men's desire to produce a quality product that serves the needs of the local community. Community service has, in fact, been a theme consistently stressed by the Singer family ever since Gene and his brother Mort founded a job printing shop on the North Shore in 1928. Throughout the many years since that date, Gene, at first with Mort, and later with his son Jim, operated a publishing company that provided live, accurate, and objective news reporting to the local community. The Singers always put their duty to the community first, preferring to provide readers with a wealth of useful information about the local community, rather than subscribing to the controversiality and sensationalism of the "new journalism." Gene and Jim Singer's desire to provide

community news in an ethical and objective manner, and the magnificent success of their publishing enterprise, bode well for the future of responsible reporting in Illinois and the Nation.

I submit for the RECORD the publisher's own account of the growth of this outstanding independent chain of newspapers:

**SINGER PRINTING AND PUBLISHING MARKS 56  
YEARS: THE MEN BEHIND THESE PAPERS**

(By J. E. Kramer)

**EUGENE SINGER: BUILDS HIS SUCCESS ON  
STRONG PRINCIPLES**

For a multitude of reasons, many of us never quite reach the lofty heights of our dreams. We set goals for ourselves that appear realistic, but along the way are short-circuited. We're forced to settle for something less. Eugene Singer, Editor and Co-Publisher of the Mail-Advertiser Publications is cut from the cloth that all but guarantees success. His life is filled with it.

Never a man to put off till tomorrow, Singer takes dreams and ideas and starts them into action, carrying along those fortunate enough to be his associates.

These publications are the result of his "dream". A successful editor and publisher earlier in his life, Singer and son, Jim, saw the need in the early 1970's for alternative publications on the North Shore that had long been dominated by the Pioneer Press Publications.

**FATHER-SON PUBLISHERS**

The Mail-Advertiser Publications were born in 1971 with father-and-son as the driving force. Today, 11 years later, the group of nine newspapers is among the strongest independently owned and published newspaper chains in the United States. Its rise in reader and advertiser acceptance throughout the difficult decade of the 1970s is without precedent, and the "publishing miracle" has set the example for dozens of other start-up publishers throughout the Midwest.

To understand the success of these publications, one has to understand the man behind them: Eugene Singer.

Gene, along with his brother, Mort, formed the Singer Printing and Publishing Co. April 16, 1926. Both men were going to school and working part time. Mort was a copy writer for Chicago Direct Mail Advertising Agency and Singer was a staffer with the Chicago American.

**"WINDOW" SPARKED IDEA**

Both found the concept of newspaper publishing to be very appealing and began discussions with Harvey Bowen, the owner of the "Glennetka Window", about a possible purchase. The "Window" was an advertising booklet serving Glencoe and Winnetka, but Bowen wanted to make it a full-fledged newspaper.

Herman Black, the publisher of the Chicago American, had a better idea. It was suggested to the Singer brothers that they meet with Black to discuss their ambitions related to the "Window" and the Ravinia resident convinced them that their publishing concepts could be better applied to the Highland Park area.

Mr. Black spent hours discussing newspapering and sent the brothers out to discuss their ideas with local civic and business leaders.

**COMMUNITY WANTED IT**

They found a great deal of interest for a new publication among community leaders

and thus formed their own printing and publishing company. They offered readers and advertisers the news of Highland Park in a magazine-format publication that was instantly accepted.

The start-up of a new publication did little to please the Udehl brothers, who at the time published the Highland Park Press. They didn't want the competition and used their influence to make life difficult for the Singers. "They were very active socially and in civil affairs," said Gene Singer, "and survival became a real battle." The Udehl paper and the "Lake Forester", then an independent, both were typical 6-column, country style newspapers which did not concentrate entirely on local news.

Through those early years, the Singer brothers counted heavily on the moral support of Herman Black. Mr. Black insisted that the policies of the paper were correct and in time would be accepted as such by the public. "The total local news concept; the exclusion of 'filler' from our news content; the live coverage of public meetings, and in particular the news-magazine format which we introduced were the keystones of Mr. Black's newspaper policy," said Gene Singer. "Mr. Black firmly believed in live reporting, having served his apprenticeship in newspapering as a reporter, as both Mort and I did. He believed that dedicated application to accurate reporting on the local scene and complete distribution through the mail would bring widespread reader acceptance."

**JOB SHOP STARTED IN 1928**

The Singer brothers, at the urging of Mr. Black, introduced a job printing shop shortly after they began publication of the paper. It began in 1928 in the basement of a tiny store at 391 Central Ave.

Despite the intense competition, the Highland Park news-magazine continued to build momentum during the late 1920s and early 1930 and by 1938 was recognized as one of the top publications in the state by the Illinois Press Association. "It was a real honor for us to place first in general excellence in competition with all community publications in our class," said Singer. "It proved once-and-for-all that our newspaper concepts were correct and that Mr. Black's prophecy was accurate." More honors would come. In 1940 the paper was selected as one of the 10 leading community newspapers in the United States.

The award-winning quality of the Highland Park news-magazine and the intense competition were too much for the Udehl brothers to handle. They closed up shop and their facilities and building were acquired by the Singers.

**LAW AND PUBLISHING**

In 1937, Gene and Mort parted company at least as far as newspaper publishing was concerned. Mort, who had been attending law school, was appointed an assistant state's attorney and began his career in law. Gene acquired his share of the publishing company.

The pre-war years were pivotal in Gene Singer's life. Besides acquiring the Highland Park Press, going it on his own, converting the Highland Park news-magazine to paid circulation, and starting up the Deerfield Review, Gene was called to active duty in the Navy. At the time the paper had attained a paid circulation of over 75 percent of the homes in Highland Park, and was considered "The" paper on the North Shore.

Gene accepted the call to duty and left the publication in the capable hands of his father, an accountant and attorney, who attempted to keep the operation going through the difficult war years. "Eighteen employees were serving their country in one branch of the service or another," said Gene Singer, "and it was an impossible task for my father to carry the load alone, so we determined that if we could no longer serve the community as we had promised we would, it was time to turn over the responsibility to someone else." Gene's ship put in for repairs in Portland in 1943 after service on the North Atlantic, and he returned to Highland Park to complete the sale of his publications to the Pioneer Publishing Co. of Oak Park, which was extremely anxious to acquire a North Shore base of operations.

#### EARNs WAR HONORS

As part of the sale, Singer Printing and Publishing would continue to print the papers, and agreed not to independently publish a paper within a 40-mile radius of Chicago. Singer returned to the war, where he distinguished himself, acquiring a Presidential citation and two meritorious awards while rising from Ensign to Commander in his four and one-half years of active service.

As the war concluded, Gene turned his thoughts to the North Shore. He came "home" once again to oversee the operation of the printing plant, no longer involved in the day-to-day business of newsgathering, but still very much interested in newspapering. His responsibilities, as president of the printing company, provided him with time to spend with his wife, Dorothy, and growing family.

Son Jim joined the company in 1960 and shortly thereafter accepted the presidency. Gene and Dorothy headed for the West Coast to pioneer a new venture in electronics and television.

#### LEADERS WANT NEW PAPER

Area business and civic leaders, not entirely satisfied with the services being provided by area newspapers on the North Shore, frequently visited the offices of Jim Singer throughout the 1960's attempting to convince him to begin publication of an independent paper. However, because of the contract with Pioneer-Time to publish that company's Deerfield, Highland Park and Lake Forest papers, the Singers felt morally obligated not to enter competition.

In 1970 Pioneer-Time withdrew from its contract with Singer Printing and Publishing Co. to print the papers, thus opening the doors to the Singer family to once again publish a news-magazine on the North Shore since the non-compete contract had been broken.

The Singers seized the opportunity to get back into newspaper publishing. Jim called a meeting of local leaders and found widespread support for a new publication that would serve the needs of merchants who wanted their messages to be read in all the households in the area.

The Mail-Advertiser was born. It was impossible to develop a staff on such short notice, so the re-newed publishing efforts of the Singer family were exclusively devoted to advertising matter. The Highland Park Mail-Advertiser was first, followed by similar publications in Glencoe, Deerfield, Northbrook, Wilmette and Winnetka.

Still, the policies of Mr. Black ran through Gene Singer's thoughts and less than two years after the first issues of the Mail-Advertiser came off the press, the Singers decided to publish a full-fledged weekly news-magazine in Lake Forest.

"At a series of meetings with Lake Forest and Lake Bluff residents we learned that they weren't very happy with the manner in which local news was being treated by the existing publication," said Gene Singer, "and we were pledged the support of the community if we would agree to begin publishing a newspaper."

#### PAPERS GO FULL SERVICE

Publish they did—sending the news and advertising of the community to every household. The following year all the other Singer publications were converted to full-service newspapers, initially distributed to all households, and ultimately converted to a subscription basis.

Along the way, Singer Printing and Publishing acquired the "Glenview Times" and started up the Vernon News-Advertiser to complement the Highland Park Mail-Advertiser, Glencoe Mail-Advertiser, Lake Forest Lake Bluff News-Advertiser, Deerfield News-Advertiser, Northbrook News-Advertiser, Wilmette News-Advertiser and Winnetka News-Advertiser.

The most recent figures show that the Mail-Advertiser Publications reach 70.4 per cent of the households in the 18 communities we serve on the North Shore, giving these publications 9.5 per cent more total circulation than their nearest competitor.

#### ENDORSEMENTS AND HONORS

The dedicated local news policy and complete cooperation with all local clubs, schools, churches and non-profit organizations has generated unprecedented endorsements, and in appreciation Gene Singer has been made an honorary member of the Glenview Optimist Club and the Rotary Club of Highland Park. He was also singled out by the Lake Forest Legion Post, Senior Citizens, the Lake County Navy League and the Jaycees, who also expressed their appreciation for his efforts in their behalf.

"I think we've proven once again that the basic policies upon which we started our first paper in 1926 are right ones for the 1980s. People demand a quality product that gives them objective news reporting and a wealth of useful information about their community. That's what we're trying to do and will continue to do," said Gene Singer.

The Singer story is one of modern-day publishing success; one that is based on the determination to work hard, adhere to legitimate policies and always keep the best interests of the community in mind.

#### JAMES SINGER: SEES TO THE FUTURE; ATTENDS TO THE PAST

Newspaper publishing today is generally acknowledged to be among the most complex of all business ventures, requiring a thorough knowledge of all the "ins" and "outs" of the industry, fast decisions and accurate long-range planning, as well as a willingness to surrender the "old" in favor of the latest technological advances for converting spoken words into black ink.

Although the editorial, advertising and distribution policies of the publications produced by Singer Printing and Publishing have remained rock-solid during the 56-year history of the company, production methods have changed dramatically.

The man responsible for staying on top of the latest "state of the art" alterations to newspaper production is Jim Singer, company President, who sits in the hot seat in terms of hectic day-to-day operations of Singer Printing and Publishing.

#### HANDLES THE DETAILS

Jim Singer has a reputation for making solid decisions. He is the company "idea man", responsible for the final product and the bottom line, who spends his days gathering information, trouble shooting and deciding on a multitude of details necessary for the quality-attentive and cost-efficient operation of the publications.

If there is a new production related product on the market, Jim Singer will be there to test it. If there is a strike in the paper mills, he'll find the newsprint to keep the presses rolling. If there is a production problem in any department, he'll be there, sleeves rolled up, to help out. If an employee has personal problems, he's there with suggestions and solutions.

In short, Jim Singer is Singer Printing & Publishing's "guiding star", the focal point for the successful operation of the company.

#### SEES BRIGHT FUTURE

As could be expected, Jim Singer is a big booster of weekly newspapers. "I am certain the independent weekly can survive," he said, "Because we have several advantages that the corporately controlled chains don't have. One important factor is our ability to seize opportunities when they present themselves. It's not necessary for us to wade through a chain of managers and red tape to get to a decision."

"Also, because we are a vital part of the communities we serve, it is much easier for us, than it is for the corporate giants, to produce the kinds of newspapers that intimately fit the readership needs of the people. We have the community pulse."

"While we don't have the resources of a large corporation, we also don't have the ruthlessness. We can make decisions in human terms, something the giants rarely do. If there's a so-called 'loser' in their holdings, they'll simply ax it out of the picture without regard for who or what gets hurt in the process," he said.

#### PUTS "PEOPLE FIRST"

"I think our 'people-first' approach to publishing is the most important factor in our final product. We keep it in mind from start to finish of the production schedule," Singer said.

He pointed to the acquisition of the "Glenview Times" as an example of the "people-first" company policy. "The 'Times' was important to many residents of Glenview, who relied on it for their weekly news and advertising information. We were approached by many of its subscribers who asked that we acquire the paper so that an independent publishing voice would continue to be heard in the community," he said.

The "Glenview Times" was acquired by Singer Printing & Publishing, and continues to offer Glenview residents an alternative to the "new journalism" which is geared less and less to community service and more to sensationalism and controversy. In a recent survey of residents by the Village of Glenview, the "Times" was acclaimed as the weekly newspaper from which a majority of persons in the village get information on Glenview activities.

#### STRESSES COMMITMENT

"We have a commitment to the communities we serve, and that won't take a back seat to anything," said Singer.

Jim Singer, 42, joined the company in 1960 after attending grade school in Highland Park and California, high school in San Gabriel, Calif., and college at the University of Southern California in Los Angeles.



les. While attending college he worked part time on a Los Angeles newspaper as a news photographer. One of his photographs received awards from the California State Press Assn. in 1957.

That interest in photography brought him to the lithography camera room of a California publishing concern, where the first high speed web-offset press and computerized typesetting facilities were in use. It was here he developed an intense interest in newspaper production, and became convinced that the future of the publishing industry centered on highspeed presses and computerization.

#### INTRODUCED WEB-OFFSET

Jim Singer introduced web-offset printing to the North Shore when he became a Singer Company officer in 1960. At that time the process was totally new to the Midwest, and Singer devoted his energies to selling the concept and the actual application of the process to the employees at Singer Printing. He also established the lithographic camera department, and headed the camera and plate department while others were being trained to assume those duties.

Computerized typesetting was introduced at the Singer plant early in the 1960s and through the years employees have worked with five different typesetting systems in a constant attempt to upgrade quality and speed. All of the systems have come at the direct urging of Jim Singer, and all have succeeded in upgrading the publications.

As for the future, Singer is optimistic. "I can see no reasons for the decline of the weekly newspaper," he said, "granted, many daily papers have closed and others are in serious trouble, but that's because of television news, national magazines and radio as well as an alarming trend that has taken some publishers away from community service as their prime consideration."

#### PUT SERVICE FIRST

"The solid weekly papers that put community service first will survive because they continue to be the only legitimate source of information on local happenings, ranging from births to deaths to taxes to sports and entertainment. Those editors and publishers who continue to place total emphasis on community news will ride out these difficult economic times and be all that much stronger for it," Singer said.

"The publisher of tomorrow's newspaper won't forget the basic precepts upon which success in this business depends, and will pay close attention to the latest developments in technology which are geared to speed up and simplify the production process," he said.

A mix of the best of the old and the new, that's Jim Singer's credo. ●

#### WAGING WAR OVER THE PREVAILING WAGE

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. EMERY. Mr. Speaker, as we confront the double-edged dilemma of rising unemployment and unmanageable Federal deficits, there is one element of current Federal law which could provide a source of help for both problems. The fall 1981 edition of the Harvard Political Review contains an

article by Kirk Jenkins which presents the case being made for repeal of the Davis-Bacon prevailing wage statutes.

I commend this article and consideration of the issue to the attention of my colleagues who share in the desire to lower the deficit and increase employment. Repeal of Davis-Bacon could contribute significantly to both these objectives.

#### WAGING WAR OVER THE PREVAILING WAGE

Few issues could unite Common Cause and the United States Chamber of Commerce. The New York Times and Wall Street Journal seldom march under the same banner. Economists Walter Heller and Alan Greenspan rarely see eye to eye. Yet in the past year each one has called for repeal of the Davis-Bacon Act, one of the most venerable relics of the wave of labor laws passed during the Depression era.

According to Davis-Bacon, any construction contract of more than \$2,000 let by the federal government must be performed by a contractor paying the "prevailing wage of the local area." The bill was ostensibly passed to prevent federal contractors from going to substandard contractors paying their employees very low wages and subjecting them to poor working conditions. In 1931, its sponsors charged that many firms toured the country, housing destitute laborers in cabins and taking federal contracts from local firms.

Many economists feel that it is not difficult to explain the bitter opposition of labor unions to any changes in Davis-Bacon. According to former Labor Secretary Ray Marshall, Davis-Bacon's "prevailing wage" standards help prop up union monopolies. The American Enterprise Institute (AEI) believes the Labor Department itself has contributed to this fact through a willful misinterpretation of the Act. Wage determinations, according to an AEI study, are frequently taken "from areas other than those in which the work is being done—despite the clear legal requirement that local rates be used." The study cites a Marine Corps housing project in Quantico, Virginia. The wage determination was taken, not from Quantico, but from Washington—thirty-five miles away and light-years different in pay scales.

Because of administrative shortcuts used to simplify the job of wage determination, the recommended wage is almost always the union rate. According to the Labor Department's "thirty percent rule," any time thirty percent of the workers in a survey are paid the same wage, that wage is found to be "prevailing." Non-union workers are paid a wide range of rates, depending on skill and experience; union workers are paid a single negotiated wage, so the thirty percent rule favors the union wage even when union workers are in a minority. For example, in late 1980, an initial survey of electricians in Charleston, North Carolina recommended an hourly wage of \$8.51. After one-third of the electricians in the survey were inexplicably dropped, the thirty percent rule was invoked and the union wage of \$11.85 an hour was found to be "prevailing." Union officials note that despite the fact that only ten percent of Charleston's electricians are actually unionized, the surveyed population was almost one-half union electricians.

Opponents of the Act point out that legislation passed since Davis-Bacon has outdated most of the arguments in support of the law. In 1931, construction workers had little legal protection against the kind of abuses

which unions cite. Since that time, however, the federal and state governments have enacted minimum wage and unemployment compensation laws as well as strict legislation regarding the conditions and safety of employment. In addition, tough procurement laws are on the books designed expressly to protect the government from unscrupulous contractors and shoddy workmanship.

Estimates of the inflationary impact of Davis-Bacon vary widely. According to a report finished early in 1980 by the Carter Council of Economic Advisors but not released until the Reagan administration took office, "in each of the thirteen cities where wage data was available, Davis-Bacon minima were significantly above going rates in the local labor market for similar work." Most economists estimate repeal of the Act would result in a yearly saving of more than one billion dollars. The full economic cost of the Act, however, may well be several times that. A growing number of contractors simply boycott all federal jobs because of the disruptive effects of having to pay employees at a federal job more than employees at a private job. The net result is reduced competition and increased cost for government construction. In addition, the maintenance of artificially high wages for federal jobs pulls labor away from private jobs, tending to raise wages and increase costs on private work.

The General Accounting Office (GAO) has recently concluded that Davis-Bacon is impossible to administer. The Labor Department is responsible for determinations in over 3,000 counties for nineteen trades on four different types of construction—a theoretical total of over 228,000 separate judgments. The limitations of having only eighty staff members to make these determinations has made the "prevailing wage" terribly inconsistent. In the same year different wage rates have been set for identical jobs in identical locations. The Labor Department's administrative law judges have been forced to overrule many determinations because of these problems. GAO made no bones about it: "the Davis-Bacon Act is no longer needed and should be repealed."

Pressure is building for repeal. Of the forty states with their own "little Davis-Bacon" laws, four have recently repealed their statutes, while repeal bills have been introduced in another seventeen states. Four separate federal repeal bills have already been introduced. In the Senate, freshman Republican Don Nickles, who promised to seek repeal of the Act during his 1980 campaign, is now chairman of the Labor subcommittee responsible for the Act, and enjoys the support of Labor and Human Resources Committee chairman Orrin Hatch. As yet, the Reagan administration, wary of worsening an already shaky relationship with union leaders, has favored only cosmetic changes in the Act. Opponents promise, however, that they will settle for nothing less than repeal. ●

# UNITED NATIONS CONTRIBUTIONS BY UNITED STATES TOO HIGH

## HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. FLIPPO. Mr. Speaker, I rise to protest the administration's action to increase our contribution to the United Nations by 12 percent, at the same time we are cutting vital services to the bone.

U.S. News & World Report says the United States has agreed to increase its contribution to the staggering total of \$1,000,000,000, while cutting such programs as student aid, unemployment compensation, senior citizen meals on wheels, highway construction, price supports for farmers and even social security benefits.

Our own U.N. Ambassador, Jeane Kirkpatrick, says "Our influence at the U.N. is trivial, despite the fact that we contribute \$1 billion a year."

Need I point out that Ambassador Kirkpatrick was appointed by this administration.

The State Department's Mark Edelman told a Senate subcommittee that the Reagan administration intends to back only groups that practice fiscal restraint. "We have made it clear at meetings throughout this past year that international organizations cannot operate under the illusion that they are immune from the economic pressures and constraints of the times," Edelman said.

I would also point out that the Soviet Union, with two of its republics as separate members, has three votes in the U.N. General Assembly. The United States has only one. Ironically, the Soviet Union and its two satellites contribute only 13 percent of the U.N. budget, while the United States contributes 25 percent—almost twice as much.

It should be emphasized that nearly 30 U.N. officials receive salaries of more than \$100,000. We are also contributing to programs that people in this country would have difficulty pronouncing let alone understanding such as the "International Office for Epizootics."

We are asked to contribute more to the U.N. at a time when it has become the biggest and most vocal anti-American forum in the world. At the same time it is harboring the biggest nest of Soviet spies and protecting their activities with diplomatic immunity.

Good ole Uncle Sap.

It's time to yank the purse string on the U.N. and stop funding an organization that has goals that are diametrically opposed to the United States. This country would be hard-pressed to point to one positive contribution

from this infamous organization, even though it is located in our largest city.

At a time when we are cutting good programs that help our own people, let us not throw money at an organization that has never helped Americans and probably never shall.●

## NEED FOR EXPORT TOOLS

## HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. EVANS of Delaware. Mr. Speaker, exports are vitally important to our American economy. One of every eight manufacturing jobs, and one of every three agricultural jobs, are related to exports.

Over the past two decades, the U.S. share of world trade has been steadily declining. This is particularly unfortunate since it is clear that many American products could be very competitive in the world market.

Very few of our smaller manufacturing firms have ever engaged in exporting. In most cases, these smaller firms simply have found the giant leap into unfamiliar territory too complicated and too expensive.

On the other hand, our trading partners, especially Japan and the Western European countries, have prospered. One of the reasons they have been successful in the aggressive world market has been their development of export trading companies. American companies must be given the tools to compete effectively with our trading partners. Legislation, already approved by the other body, and now being considered by three House committees, would facilitate the development of U.S. Export Trading Companies. I urge the committees to complete their work as soon as possible and bring the legislation to the floor so that this valuable export tool will be available to provide a much-needed increase in the number of American jobs.●

## CONGRESSIONAL SALUTE TO THE HONORABLE RALPH WEISS OF NEW JERSEY "PAUL HARRIS FELLOW," ROTARY CLUB OF HALEDON

## HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. ROE. Mr. Speaker, on Friday, June 11 the residents of Haledon, my Eighth Congressional District and State of New Jersey will join together with our fellow Rotarians in testimony to an outstanding businessman, community leader, distinguished citizen and good friend, the Honorable Ralph

Weiss of Haledon, N.J., whose standards of excellence throughout his lifetime have earned him the most highly coveted honor of being chosen the "Paul Harris Fellow" of the Rotary Club of Haledon—the highest award that Rotary can bestow upon any of its members. I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations to Ralph Weiss and share the pride of his good wife Charlotte, son Alan, and daughter-in-law Diane in celebrating this milestone of achievements in their family endeavors.

The Rotary Club of Haledon is one of our Nation's most prestigious affiliates of Rotary International whose motto: "We make a living by what we get . . . we make a life by what we give"—"Service above Self"—and their good deeds in helping others, young and adults alike, have served to inspire all of us. Ralph Weiss has by his example and lifetime of dedication to these same true American ideals personified exemplary leadership in his outstanding responsible service to our people.

Mr. Speaker, Ralph's personal commitment to the economic, social, and cultural enhancement of our community has been a way of life for him. He was born in Paterson, N.J., attended Paterson Boys High School and graduated with the first graduating class of Eastside High School.

The story of our "Paul Harris Fellow" Ralph is truly an epic in our American heritage where success is within the promise of men like Ralph who have the zest for pursuing what is within one's heart, matched with the determination and sincerity of purpose to always do the best in everything one sets out to do.

Ralph worked at Johnson-Cuman Lumber Yard in Paterson for the financial means to put himself through even classes at New York University and in 1929 graduated NYU magna cum laude with a B.A. degree in accounting. He continued working at the lumber yard as combination accountant and yard hand while working nights and weekends in his father's real estate and insurance business. In 1947 Ralph left the lumber yard and joined the insurance and real estate firm of John Weiss & Co., on a full-time basis.

Mr. Weiss has been a leading and active participant in the business community throughout Haledon and the State of New Jersey. He diligently pursued his professional career goals and objectives and in 1972 was elected president of John Weiss & Co. and Mutual Underwriters Agency, Inc. In 1975 he was designated chairman of the board of directors of John Weiss & Co. and Mutual Underwriters Agency, Inc. It is important to note that his



professional expertise earned him appointment by the courts on over 20 occasions to serve as a condemnation commissioner.

Mr. Speaker, Ralph has also made an outstanding contribution in promoting and encouraging community improvements and has actively participated in many charitable and civic endeavors to help improve the social and cultural endeavors of our community, State, and Nation. He was president of the Patterson Exchange Club and was appointed to and served over 20 years on the Haledon Board of Adjustment, serving as chairman for 15 years. He was the organizer and first chairman of the Haledon Planning Board where he served for over 18 years. In 1958 he was president and State director of the Passaic County Board of Realtors. In 1976 he became president of the Haledon Rotary Club.

He has served as a member of the Advisory Committee of Saint Casimir's Roman Catholic Church and in addition to the Realtors, he has maintained membership in the National Association of Accountants, the Independent Fee Appraisers of America, the Professional Insurance Agents Association, and the Mutual Insurance Agents Association.

Mr. Speaker, as we reflect upon the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, I appreciate the opportunity to call your attention to this distinguished gentleman and seek this national recognition of all of his good deeds. I know you will want to join with the Rotary Club of Haledon, N.J., in honoring our good friend Ralph as an outstanding citizen and great American. We do indeed salute the Haledon Rotary Club's "Paul Harris Fellow"—the Honorable Ralph Weiss.●

**PHYSICAL HANDICAP NO OBSTACLE TO ACADEMIC ACHIEVEMENT, LOU STERNBURG AWARDED DOCTORATE AT BRANDEIS**

**HON. STEPHEN J. SOLARZ**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. SOLARZ. Mr. Speaker, on Sunday, May 23, at the commencement exercises of Brandeis University, my alma mater, I witnessed the culmination of an amazing story which is a towering affirmation of the human spirit, and of the role of a university in aiding students to reach their full potential.

Lou Sternburg, of Newton, Mass., received a Ph. D. in psychology from Brandeis University at its 31st com-

mencement on Sunday, May 23, 4 years after being awarded a master's degree by the same institution.

Mr. Sternburg, who is 57 years old, also is a graduate of the University of Pennsylvania and its Wharton School (1950). From 1950 to 1955 he worked as a manufacturer's representative. In 1955, at the age of 30, he contacted polio. The disease rendered him a quadriplegic and unable to breathe without an iron lung. He was allowed to leave the hospital in 1956 only after he had learned an alternative method of breathing which he could employ in case a power failure cut off his iron lung.

Soon after returning home to his wife and two children, he became interested in creative writing to, in his words, find out what makes people tick; and what makes me tick. Not satisfied with what he was producing, he contacted then Brandeis president, now chancellor, Abram Sachar and soon after a member of the Brandeis faculty was making periodic visits to discuss writing with him.

Interest in writing and motivation led him to psychology. He arranged to take accredited courses in psychology by delivery of taped classroom lectures. In this manner he completed the equivalent of a B.A. in psychology.

Mr. Sternburg came to the attention of James Lackner, chairman of the Brandeis psychology department, who visited him and encouraged him to try for advanced degrees in Lackner's field, psycholinguistics. The same taping arrangement was set up. In addition, Lackner visited him once a week to do control experiments in the subject of Mr. Sternburg's thesis which concerns the relationship of speech and ideas to the individual's intake of air. Since Mr. Sternburg's intake of air is not self-induced but controlled by outside forces, he is full author and part subject of his Ph. D. thesis.

Having been an athlete before his illness and still intensely interested in sports, he has already applied his new psychological knowledge in developing a test to be used by professional athletic teams to determine whether a prospect has desirable mental and personality traits. The Boston Celtics and Patriots have used the test which is copyrighted.

He was wheeled up to receive his doctorate and told a cheering audience: "I'd like to congratulate my fellow classmates, and I'd like to thank the University for welcoming me with open arms." Thanking his wife, children and friends, he said: "In a very real sense, I was just a vehicle for the combined efforts of all those people who made this possible."

Mr. Speaker, I insert the following story from the Boston Globe to be included in today's CONGRESSIONAL RECORD.

**POLIO VICTIM GETS DOCTORATE**

(By Diane Lewis)

Draped in blankets and shielded from the rain, Lou Sternburg yesterday was awarded the advanced degree in psychology he had worked four years to obtain.

Sternburg, who has been confined to an iron lung most of the time since contracting polio in 1955, was among 50 students to receive doctor of philosophy degrees at Brandeis University.

"I'd like to congratulate my fellow classmates, and I'd like to thank the university for welcoming me with open arms," the 57-year-old Newton resident told the hundreds of people yesterday at the university's 31st commencement.

"Without friends," Sternburg said, "I doubt that this moment would have been possible."

He was among more than 800 students who received degrees yesterday. In addition, 10 individuals were awarded honorary degrees, including commencement speaker Sol M. Linowitz, negotiator of the Panama Canal treaties; Sir William Arthur Lewis, winner of the 1979 Nobel Prize for economics, and violinist Itzhak Perlman.

In addressing the estimated 5000 persons who attended the ceremony, Linowitz urged the graduates "to raise your voices as committed, responsible citizens."

"The time has come to halt the know-nothings, the preachers of hate, the fearful ones, wherever they are and whoever they are," he said. "They despoil the true spirit of America and blaspheme its heritage."

Honorary degrees were also awarded to artist Helen Frankenthaler, enzyme researcher Nathan Kaplan, architecture critic Ada Louise Huxtable, chemist George B. Kistiakowsky, and Irving S. Shapiro, former chairman and chief executive of E.I. du Pont de Nemours & Co.

Less than a year before the polio vaccine was first distributed, Sternburg, then 30, contracted the disease.

"When I came home from the hospital, I had a choice," he said in an interview. "I could get angry, or I could do something about it."

His interest in writing and character development led him to study psychology.

As he lay on a chair with a portable respiratory machine, Sternburg talked yesterday about his thesis and psycholinguistics—the study of speech articulation patterns and their relationship to the thought process and breathing.

He said his success was due in part to the support of his wife, his two children and his friends.

"In a very real sense, I was just a vehicle for combined efforts of all of those people who made this possible," he said.●

**PEACE IN THE MIDDLE EAST**

**HON. TOBY ROTH**

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. ROTH. Mr. Speaker, all of us desire a quick and stable peace in the Middle East. The road to peace is never easy but I would suggest a few guidelines.

Lebanon is for the Lebanese. All nations should withdraw their forces and

leave the Lebanese people to solve their problems. Furthermore, after decades of senseless war, it is time for all nations in the region to come to a basic understanding: Every nation has the right to exist and the rejectionist posture maintained for nearly 40 years by radicals in the Arab world can only lead to renewed violence and conflict.

Bordering nations and so-called refugees cannot continue to be permitted to violate the borders of Israel. The rule of law and respect for national frontiers must become accepted practice by all nations in the Middle East. All parties must adhere to the guidance set forth in U.N. Resolution 242 and recognize the integrity of one another's borders. The Arab States must understand that Israel exists and must learn to deal with that nation in accordance with commonly accepted diplomatic practice.

Mr. Speaker, I firmly hope that something positive will result from the current renewal of conflict in the Middle East. The world's attention has once more been focused on the problem, and as we try and analyze the situation, a basic fact emerges: Arab nations have for the most part rejected the right of Israel to exist and have consistently promoted efforts to topple that nation.

For a framework of peace to emerge in the region, the rule of law must prevail. As a first step, I believe that it is essential that all nations in the region recognize the right of all other states to exist. This would be a major contribution toward creation of an environment conducive to a peaceful resolution of the problems that have led to renewed outbreaks of conflict. The integrity of Israel has been a consistent foundation on which American foreign policy is based. This is fully in accordance with normal international diplomatic practice and must also become the touchstone for Arab relations with the nation of Israel.●

#### "WORLD COLLABORATION OR ANNIHILATION?"

**HON. JIM SANTINI**

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. SANTINI. Mr. Speaker, Mildred Pressman, an octogenarian concerned about the future of world peace, has written the following remarks in response to discussions about nuclear policy. She calls upon "all nations to consider giving up some of their sovereignty to the United Nations and the International Court of Justice in the interest of saving the family of man."

I would like to urge my colleagues to take a few moments to reflect upon the insights of this remarkable Nevada woman who has witnessed nearly a century of a world plagued by war.

#### WORLD COLLABORATION OR ANNIHILATION?

"IT'S UP TO YOU AND ME, MY FRIEND!"

In preparation for the forthcoming United Nations Second Special Session on World Disarmament, scheduled to take place on American soil at UN Headquarters in New York from June 7 to July 9, 1982, I have a suggestion: I would like to see every statesman, every religious leader, every political leader—including Chairman Brezhnev and the members of his Presidium as well as President Reagan and his advisers—and all other heads of government and their advisers, upon arising each morning, repeat silently to him or herself the following words:

(By Sy Miller and Jill Jackson)

Let there be peace on earth  
And let it begin with me;  
Let there be peace on earth,  
The peace that was meant to be.

With God as our Father,  
Brothers all are we.  
Let me walk with my brother  
In perfect harmony.

Let peace begin with me,  
Let this be the moment now.

With ev'ry step I take,  
Let this be my solemn vow:

To take each moment and live  
Each moment

In peace eternally.  
Let there be peace on earth  
And let it begin with me.

It's up to you and me, my friend  
It's up to you and me

If there's ever to be any peace on earth  
It's up to you and me.

This simple thought, "Let There Be Peace On Earth and Let It Begin With Me," was first born one summer evening in 1955 when a group of 180 teenagers of all religions and creeds gathered on a mountain top close to Los Angeles, locked arms, formed a circle and sang this song. It has since continued to travel from person to person, each determined to become a note in a song of understanding and peace free from fear and totally satisfied. Among the most well-known groups associated with this Peace Song is the International Children's Choir. "There is something about the words that gives personal worth and dignity to each human being."

It seems to me that if these words were to be repeated by every American in the silence of one's own soul, and over the months ahead spread to people the world over—each in his own tongue—that it could result in such a ground swell of positive thinking and feeling that all world leaders would unanimously agree, along with the delegates to the forthcoming World Disarmament Conference, to substitute for the war machine, the United Nations world peace-keeping machine.

Assuredly, any nation with a superiority of nuclear weapons could brag at the end of a nuclear war: We killed you more times than you killed us. Cheers! We are the winners! To us belongs the spoils—a bit of unpoisoned food, some uncontaminated water, and a little air we have found fit to breathe for awhile!

Three years before World War II ended, statesmen dreamed of a United Nations organization made up of all nations, great and small, which would be capable of guarding mankind from ever again experiencing another world holocaust. It is most regrettable that the word "peace" and this determination to develop and to use only peaceful means to help arbitrate and to settle differ-

ences between nations has so completely fled from the minds of so many statesmen of our day.

World military expenditures in 1978 amounted to close to five hundred billion dollars. The U.S. Budget Outlays for National Defense and Veterans Benefits have almost tripled since the Charter of the United Nations was adopted in 1945, from 101.5 billion in 1950 to an estimated 288.4 billion in 1982 (in constant 1972 dollars). The Defense-Related Outlay for Research and Development has increased from 6.2 billion in 1955 to an estimated 69.1 billion in 1981.

Many like to put the blame for wars and persecutions on God and reject the idea that man makes his own world. Courageous men and women abolished slavery in our country a century and a half ago. Through mankind's conscious and determined re-education of how to live in a safe world, man has the power within him to also abolish the institution of war.

When the Charter of the United Nations was drawn up in 1945, there were less than a dozen nuclear weapons in the world. The first proposal for stopping nuclear weapon tests was made with negotiations with the Soviet Union, when A Limited Test Ban Treaty was signed in 1963 by Great Britain, the United States and the Soviet Union. It prohibited nuclear weapon testing in the atmosphere, in outer space and under water. But the two other permanent members on the UN Security Council, France and China have refused to approve the treaty. Both have continued to test atomic weapons and have in fact negated this atomic test ban treaty between the Soviet Union and our country and Great Britain. No delegate at the UN Charter Conference held in San Francisco in 1945 expected that these five great super-powers, who unitedly defeated the conspiracy of the Axis powers to rule the world, would ever separate.

Almost 40 years have passed since the United Nations charter was adopted and the United Nations Disarmament Committee was given the task to reduce the use of armaments on this globe. The original goal of the Disarmament Committee has taken the reverse direction. The nuclear freeze which most peace organizations recommend, is but an interim solution until the permanent cure—total disarmament is achieved and the United Nations organization is given the power of law and the unanimous moral support of its members to enforce all international human rights agreements passed by the UN General Assembly to come within the jurisdiction of each member nation for the benefit of their own people, which is not true today.

At this time when the human race is so close to extinction, would it not be better for all nations to consider giving up some of their sovereignty to the United Nations and the International Court of Justice in the interest of saving the family of man?

#### TUITION TAX CREDITS DESERVE A CHANCE

**HON. MARIO BIAGGI**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. BIAGGI. Mr. Speaker, appreciating the interest of many of my col-



leagues in the issue of tuition tax credits, I wish to bring a very timely article on this issue which recently appeared in the Ridgewood Times. This article, by Dr. Howard L. Hurwitz, presents some compelling observations about tuition tax credits, an issue which has generated an intense amount of debate in the education community.

As a member of the House Education and Labor Committee since my election to Congress in 1968, I believe that my record in support of programs which benefit our public school system in this Nation is clear. Support for tuition tax credits cannot be misconstrued as support for private education over public education—such an argument is specious and ill-conceived. To assume that adoption of such legislation would drive children from public schools into private schools in droves is a gross exaggeration of fact. Finally, to argue that tuition tax credits are a violation of the U.S. Constitution is, quite simply, putting the cart before the horse. It is not the role of the U.S. Congress to decide the relative constitutional merits of this issue. To prejudge an issue that must be left to the courts is to interject a red herring into a debate which has no place there.

I commend the following article to the attention of my colleagues. In anticipation of tuition tax legislation which the administration plans to submit to Congress later this month, I hope these ideas will stimulate intelligent and thoughtful debate in the months ahead:

[From the Ridgewood Times, May 13, 1982]

(By Dr. Howard L. Hurwitz)

#### WILL THE REAL TUITION TAX CREDIT ISSUE STAND UP?

Tuition tax credits are again being dangled before parents of parochial and private school children in elementary and secondary schools.

The dangled bait is perceived by teachers' union leaders as a neutron bomb that, if dropped, will obliterate the public schools.

The tax credits are seen by most church and private school people as long overdue financial aid. Some 4,000,000 children attend non-public schools, although their parents pay taxes for support of the public schools.

In Congress, the big names behind tuition tax credits are Senators Daniel Patrick Moynihan (D-NY) and Robert Packwood (R-Oregon). Their bill seemed to take on new life when Ronald Reagan entered the White House. For over a year, however, the bill barely breathed as the President addressed himself to weightier issues.

Now, however, the President announced before the National Catholic Education Association that enactment of a tuition tax credit bill is among his priorities. His bill eliminates aid to parents of youths who attend private colleges.

The administration bill calls for a \$100 tax credit in 1983, \$300 in 1984, and the maximum projected peak of \$500 in 1985. Public school leaders see a \$1.5 billion dent in the national budget in 1985. You might think from their outcry that this addition to the trillion-dollar national debt would plunge the nation into penury.

Even Senator Robert Dole (R-Kansas), who favors the bill in principle, has declared his opposition to it because the nation cannot afford the outlay in a time of mounting deficits. He may be recalling the wisdom of the late Senator Everett Dirksen who reflected that a billion here and a billion there and before you know it you're talking about real money.

The real issue has nothing to do with money. It is the prestige of the public schools that is at stake. If the Congress chooses to aid parochial and private schools at the same time that it is cutting back on aid to public schools, it will be telling the people something about public schools.

Public schools have fallen upon evil days. There is increased resistance to paying for them at the state and local level. Their success record has eroded in the past two decades. Despite a common misconception, the federal government has never contributed more than eight percent in any year to the total operating budget of the schools.

But public schools remain the schools for nine out of 10 children. In some cities, however, a third or more of the children go to non-public schools.

President Reagan believes that tuition tax credits will stimulate the public schools to do a better job. Could be. I doubt whether parents who now send their children to private schools will be persuaded to return to the public schools. The great majority of such parents send their children to parochial schools and do so, in large part, for religious reasons.

Nor will those parents who have faith in the public schools be tempted to change to private schools because of the tax credit. The credit is small (and likely to remain so) and will probably be absorbed by rises in private school tuition costs.

In the course of the debate over the tax credit bill, we shall be hearing more about its alleged unconstitutionality. There are people, otherwise reasonable, who actually believe that the credits represent a threat to the separation of church and state. The credits are no more likely to build an established church than are the tax deductions for contributions to churches.

Private schools are not likely to expand in response to tax credits. They are already jammed and most of them are hard-pressed financially. The hysteria of public school leaders is unwarranted. A sob or two might be justified, if only because passage of the tuition tax credit bill will be a vote of no-confidence in the public schools.■

#### AGRICULTURE EXPORT EXPANSION ACT OF 1982

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. HAGEDORN. Mr. Speaker, today I am introducing the Agriculture Export Expansion Act of 1982, legislation to amend title I of the Agricultural Trade Development and Assistance Act of 1954 to provide a credit facilitating program which would promote additional agricultural exports by stimulating U.S. bank financing for foreign purchases of U.S. commodities on credit terms of 10 years. The program would provide guarantees for re-

payment by foreign banks on the principal and interest on financing extended by U.S. banks. In addition, it would offer a direct payment by the Commodity Credit Corporation using Public Law 480 appropriated funds to buy down interest up to 4 points on loans extended by the U.S. bank.

The current carryover of U.S. wheat and feed grains has forced record amounts of stocks into the farmer-owned grain reserve. Coupled with a flat export demand for grain and stagnant economies both here and abroad, grain prices are dismally low. Exacerbating the problem, the U.S. Department of Agriculture has projected that ending feed grain stocks for the 1982-83 marketing year will exceed the record currently forecast for 1981-82.

It is imperative that we stimulate the demand side of agriculture. The reduced acreage program for 1982 crop feed grain, wheat, rice, and cotton implemented by USDA is, I believe, a proper course to follow to more effectively control supply. The signup by farmers is encouraging and I sincerely believe that most will participate in the program. Nonetheless, we must become more innovative in exporting agricultural commodities not only for the benefit of the farm sector, but for the U.S. economy as well.

Mr. Speaker, the bill I am introducing would enact a program that would be directed to those credit worthy middle- and upper-income countries where additional U.S. agricultural exports are likely to be generated through the extension of credit and lower interest rates. The interest buy down by the CCC would be paid directly to the participating bank using Public Law 480 appropriated funds. The amount of funds used for the interest buy down would be limited to no more than 25 percent of the program level for Public Law 480, title I as provided for in the annual appropriation act. I am including a table which depicts what the impacts would be on wheat, corn, and soybeans during the 1982-83 marketing year in terms of increased exports, producer prices, deficiency payments saved, and the multiplier effects on the total U.S. economy.

I believe this is an effective way to stimulate agricultural exports over and above current threshold levels. It just makes more sense to stimulate movement of agricultural products through a program such as this rather than having the Government finance the large surplus under loan and in the grain reserve.

Moreover, CCC ownership of surplus grains has grown dramatically. In 1977, CCC held only 1 million bushels of corn. Currently, those stocks total almost 264 million bushels. USDA projects those stocks will increase to 315 million bushels by October of this

year. An industry estimate has placed the Government cost of holding 1 bushel of corn for 2 years in excess of \$4 a bushel.

It would behoove Members of Congress to consider the impacts of the financing of our huge grain surpluses through these existing methods. The farmer-owned grain reserve was enacted to build U.S. buffer stocks not serve as a depository for unlimited grain production. CCC acquisitions of corn with costs exceeding \$4 a bushel to the taxpayer are simply not cost effective.

It is time to shift our emphasis by allocating funds into this and other types of export programs rather than into CCC price support programs. I believe this legislation is essential and I would hope my colleagues will examine the merits of this bill and join me in cosponsoring it. Thank you, Mr. Speaker.

Attachments 1 and 2 follow:

#### ATTACHMENT 1

#### RESULTS ASSUMING A 4-PERCENT BUY DOWN WITH 10 YEAR REPAYMENT TERMS

	1982	1983
Export increase (MMT):		
Wheat	3.6	3.0
Corn	2.1	2.2
Soybeans	0.4	0.3
Export increase (millions) <sup>1</sup> :		
Wheat	\$658	\$550
Corn	257	272
Soybeans	113	86
Total	1,028	908
Producer price increase (per bushel):		
Wheat	\$0.21	\$0.23
Corn	0.06	0.09
Soybeans	0.23	0.31
Credit volume required (millions) <sup>2</sup> :		
Wheat	\$940	\$785
Corn	367	389
Soybeans	161	123
Total	1,469	1,297
Budget outlay required (millions) <sup>3</sup> :		
Wheat	\$139	\$117
Corn	54	56
Soybeans	24	18
Total	217	192
Deficiency payments saved (millions) <sup>4</sup> :		
Wheat	\$262	\$287
Corn	180	270
Total	442	557
Storage payments saved (millions)	\$28	\$26
Increase in net farm income (millions)	\$1,000	\$1,600
Increase in GNP (millions) <sup>5</sup>	\$1,850	\$1,634
Increase in Federal tax revenue (millions) <sup>6</sup>	\$123	\$109
Increase in employment (thousands) <sup>7</sup>	\$29	\$26

<sup>1</sup> Valued at \$175/MT for wheat, \$120/MT for corn, \$275/MT for soybeans.

<sup>2</sup> Assumes 70 percent additionality.

<sup>3</sup> Direct outlay for interest buy down paid up front.

<sup>4</sup> Based on a 40-percent participation in acreage reduction program each 1 cent per bushel price increase on wheat lowers deficiency payments \$12.5 million, for corn each 1 cent increase lowers deficiency payments \$30 million.

<sup>5</sup> GNP multiplier is 1.8 of the increase in export value.

<sup>6</sup> Based on 12 percent of the increase in export value.

<sup>7</sup> 28,700 jobs per \$1 billion export value.

#### ATTACHMENT 2

#### H.R. 6541

A BILL To expand exports of United States agricultural commodities, develop commercial markets for such commodities, promote the foreign policy of the United States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Agricultural Export Expansion Act of 1982.

SEC. 2. The Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended by adding at the end of title I a new section 116 to read as follows:

"Sec. 116(a) In furtherance of the policies of this title, the Secretary of Agriculture is authorized, in connection with export credit sales of United States agricultural commodities, to enter into agreements with the private trade, friendly countries, and financial institutions to: (i) make payments to reduce the effective rate of interest charged to not in excess of four percentum for credit extended for a term of 10 years in connection with such sales, and (ii) guarantee the repayment of credits with respect to which the effective rate of interest is reduced in accordance with clause (i). In carrying out these agreements the secretary may utilize the services and facilities of the Commodity Credit Corporation.

"(b) Commodity Credit Corporation funds may be used for the purpose of meeting the guarantee obligations undertaken pursuant to clause (ii) of subsection (a) of this section. Funds available for carrying out activities under this title shall be used to make the payments provided for by clause (i) of subsection (a) of this section: *Provided*, That, in any fiscal year, the amount of funds so used shall not exceed twenty-five percent of the program level for title I provided in the appropriation act for that fiscal year plus any funds transferred under the authority of section 403(c) of this Act.

"(c) The food commodities acquired through export credit sales involving agreements under this section shall not be considered in determining compliance with section 111 of this title.

"(d) In carrying out the provisions of this section, the Secretary shall, to the maximum extent feasible, safeguard usual marketings of the United States.

"(e) The Secretary shall obtain commitments from purchases that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of agricultural commodities acquired through export credit sales involving agreements under this section.

"(f) The provisions of sections 103(a), 103(d), 103(e), 103(j), 103(o), 401, 402, 409, and 411 of this Act shall be applicable to export credit sales involving agreements under this section.

"(g) The provisions of the cargo preference laws shall not apply to export credit sales involving agreements under this section.

"(h) This authority is in addition to, and not in place of, any authority granted to the Secretary of Agriculture or the Commodity Credit Corporation under any other provisions of law."

#### FRED KORNFELD—A GOOD FRIEND AND GREAT LEADER

#### HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to Fred Kornfeld, a good friend and great leader of the Sea Gate community in Brooklyn, who recently passed away.

Fred's life serves as a shining example and inspiration to all of us. He

dedicated his life to serving his community, his synagogue, and his fellow man.

Within the community, he was well known as the president of the Sea Gate Association, a position which he filled with dignity, energy, and kind and tactful diplomacy. His capacity for achievement continued in his role as president of the Sea Gate Chapter of the American Jewish Congress, which he developed into one of the largest and most influential chapters in the entire country.

Fred also served his synagogue, Congregation Kneses Israel, as chairman of its board of directors, a position he filled with devotion and commitment. He was also dedicated to Jewish education, and in 1969 was almost single-handedly responsible for relocating the Yeshiva Sharei Zedek in the Sea Gate community.

These are only a few of the marks Fred Kornfeld left on his community. His most outstanding legacy, I feel, is not just what he accomplished, but that he carried into all his work a warm and genuine caring for all people that he encountered. No one was unimportant to Fred—regardless of how disadvantaged he may have been in background or social standing.

The Sea Gate community was blessed to have as rare an individual as Fred Kornfeld among its residents. He will be sorely missed by all of us who knew him as long as we live.●

#### A TRIBUTE TO PEACE

#### HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. DAUB. Mr. Speaker, on Sunday, April 25, 1982, Israel withdrew from the Sinai Peninsula, in accordance with the Israel-Egypt peace treaty.

On display in the Cannon Rotunda from June 1 through 12, we are privileged to see testimony to an historic event: The withdrawal of Israel from the Sinai. This exhibit, prepared by Farag Peri and Amos Ettinger, demonstrates the love of the people of Israel for the Sinai, but even deeper, their desire for a lasting peace between Egypt and Israel.

Since 1967, Israel has devoted much energy toward the development of the Sinai; roads, farms, water pipelines, airfields, oil wells. For 15 years, the people of the Sinai have devoted themselves to making the desert bloom.

On April 26 of this year, they gave it all up; for the cause of peace—their hope of a lasting peace for all in the Middle East.

I urge everyone to take a moment out of their busy day and stop by the Cannon Rotunda to view this remarkable



ble display on life in the Sinai—  
"Shalom Sinai—The Road to Peace."●

### YOUNGER MEMBERS MUST TAKE LEAD

**HON. CARROLL HUBBARD, JR.**

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. HUBBARD. Mr. Speaker, James Lee Childress of Wingo, Ky., maintains in a recent letter to me that it is up to the younger Members of Congress to take the lead in correcting the problems that have accumulated in the Federal Government over the years. I believe Mr. Childress' letter is one which should be shared with my colleagues and I wish to do so at this time. The letter follows:

DEAR CONGRESSMAN HUBBARD: Being somewhat knowledgeable of the fact that many of you now in Congress have and are inheriting the problems of the past 50 years during your few years as a member, I have the following to say.

It is you, the new members, who are obligated to put the government in its place and strengthen it. And, I don't envy you. We the people of this great country are the ones who are responsible for letting our elected officials get us in this mess be greedily accepting what I call handouts.

We must cut regulations which were not enacted by Congress, cut government spending, and where possible, cut taxes to a reasonable level for government operations. In my opinion, too many government agencies have been allowed to establish regulations, as if laws, that have hamstrung free business operations, making it expensive for business and harder on the economy. Only Congress can make laws, and when it allows agencies to perform regulations, then Congress is irresponsible of its duties.

Spending must be cut to the very necessary governing services that government is established for. Government is not big brother, although some have tried to make it so.

Taxes are necessary for government to have operating funds, but only for the necessary services that are designed to govern people without restrictions to their freedom of living.

The government, like its citizens, can and must live within its income. When we don't have sufficient money to afford the "wants" that we desire, we have to do with what we can afford, doing without many of the bare necessities of life until we can again accumulate the money for such spending. If we do not use conservative reasoning for our spending, we will go bankrupt. And who cares? Certainly not the ones who are continually holding their hands out, be they Americans who are able to work, but don't or the foreigners who take what they can get and don't care what happens to the hand that is feeding them.

We will never correct this economic mess we are in until we cooperate as a team to work out the problems created by a liberal Congress over the past 50 years. Many citizens were happy to receive assistance for nothing in return, and it became a way of life. The rest of us sat on our hands and allowed Congress to act irresponsibly for us and themselves. It is our fault that we

didn't complain and retire them. So now we are in water up to our necks and blaming everybody but ourselves. Does it hurt to cut spending? Of course it does and will. But, I'd rather hurt now than drown later. You younger members of Congress must reverse the downward trend and prove the older members to their errors.

Sincerely,

JAMES LEE CHILDRESS.●

### FOREIGN AID IN BANGLADESH

**HON. ROBERT H. MICHEL**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. MICHEL. Mr. Speaker, did you know that Bangladesh, one of the poorest countries in the world, has just built a luxury hotel in its capital of Dacca, amidst its worst slums? Did you know that since its independence 10 years ago, Bangladesh has received \$11 billion in foreign aid from many nations and that in fiscal 1982 it will receive between \$1.6 and \$2 billion? Did you know that United States taxpayers have given Bangladesh nearly \$1.8 billion in the last 10 years? And, finally, did you know that despite all of this, Bangladesh is a nation of poverty, pervasive governmental corruption, and inadequate means of getting food and aid to those who need it?

You will find all of the above and much more in an article I will insert in the RECORD at this point. Anyone wondering why there have been questions raised about foreign aid in recent years should read it.

At this point I wish to insert in the RECORD, "Foreign Aid Under Fire" by Ann Crittenden, from the New York Times Sunday magazine, June 6, 1982.

#### FOREIGN AID UNDER FIRE

(By Ann Crittenden)

Imagine Manhattan's Helmsley Palace in the South Bronx. Dacca's first new hotel since the 1960's is a gigantic five-star refuge, a \$40 million product of Japanese aid to Bangladesh, set in the Middle of one of the worst slums in the world. The Sonargaon is an elegant stage setting for local arts, and a retreat where visiting dignitaries, foreign-aid bureaucrats and journalists can relax over imported wines and Chateaubriand. But permeating the luxurious grounds and drifting over the swimming pool is a faint smell of garbage, of smoke fires and human waste. There is an extra edge of obsequiousness in the service, an unnerving desperation in the rickshaw drivers who crowd around the guests as they step into the capital city's street. No matter how insulated, life at the Sonargaon, like life everywhere in Bangladesh, is more or less uncomfortable.

Ever since winning its independence from Pakistan in a brutal civil war 10 years ago, Bangladesh has been the world's pre-eminent recipient of international aid. The country, no bigger than Illinois but with a population of 90 million—more than the United Kingdom, the Benelux countries and Switzerland combined—has been the beneficiary of a steady, multibillion-dollar dole of

food and money from governments and private relief agencies from dozens of nations. The money accounts for almost 90 percent of Bangladesh's development budget and roughly one-tenth of its annual gross national product. Dispensing this largesse are some 10,000 employees of Dacca's "aid establishment," most of them ensconced in villas as far removed as the Sonargaon from the squalor of the city's teeming streets.

The presence of this vast aid bureaucracy makes Bangladesh an ideal place to observe the effects of foreign aid as it is currently dispensed: For if economic assistance has alleviated the worst ravages of poverty in parts of the third world and spurred economic growth in others, there is evidence to suggest that, in many instances, it has also hindered profound and lasting development. Increasingly, it is clear that where governments are corrupt or indifferent to the living conditions of the majority of their people, aid may not only fail to relieve poverty, but may shore up a system that perpetuates it.

In Bangladesh, a rich alluvial plain with more cultivable land per person than prosperous Taiwan, the persistence of malnutrition and desperate poverty provokes questions not only about the governments in charge but about the efficacy of the seemingly endless outpourings of aid over the past decade.

To some extent, the Bangladeshis have begun to raise these issues themselves. In March, a military coup overthrew a civilian government, charging it with rampant corruption. And the country's new leaders, in their first pronouncements, declared that the country should rely less on foreign assistance, and more on its own resources.

At a time when the United States seems to have grown impatient with the demands of the third world and is itself experiencing economic difficulties, such developments take on added urgency. On the one hand, many on the political left argue that foreign aid is a subtle form of economic colonialism; on the other, some conservatives insist that charity should begin at home, and that all the United States receives in exchange for its helping hand are demands for more, coupled with denunciations in the United Nations. The upshot of the controversy is that the percentage of its revenues that the United States Government devotes to foreign aid has declined from 0.31 percent in 1970 to 0.25 percent today.

The most lasting achievements of foreign assistance, it is often argued, have occurred in India and Pakistan. Years of outside investment in those countries' agriculture have begun to pay off in bountiful harvests undreamed of only a few years ago. Similarly, injections of development aid into Bangladesh's fertile countryside have resulted in increased food production and some improvement in the lives of the millions of people crowded into the rich delta of the Ganges, Brahmaputra and Meghna Rivers. For the past few years, food production has outpaced population growth and malnutrition has become less prevalent. The 1982 winter harvest was a disappointing one, the result of a severe drought, but barring further civil strife or a devastating natural disaster—perennial possibilities in Bangladesh—further gains in agriculture can probably be made in the near future.

The problem is that these advances have not translated into a better life for fully half the people in the country, who have neither land nor jobs nor the money to buy the additional food that could be produced.

The problem is that the gains have been made despite the indifference of the previous Bangladeshi Government, many of whose officials have preferred to solicit assistance from the West rather than change a feudal land-tenure system. The problem is that a sad, lingering mood of futility hangs over a country where ruler, ruled and benefactor alike often seem to believe that survival depends upon the ceaseless flow of charity from abroad.

Bangladesh may be an extreme case. But the country is not an isolated example of the apparent failure of more than 30 years of development assistance to put poor countries on the road to self-sustaining growth. In Haiti, a long-time recipient of United States aid, two-thirds of the rural population still have an annual per capita income of less than \$40. In Tanzania, after years of support from sympathetic Scandinavian countries, the vast majority of the population has seen few if any benefits. Despite decades of aid to Latin America, millions remain destitute.

Given these uneven results, it is hardly surprising that a large section of the American public has soured on aid. More surprising, perhaps, is the aid bureaucracy's unwillingness to acknowledge that more is not necessarily better when it comes to foreign assistance.

Shortly after arriving in Bangladesh last October, I met with two officials of the United States Agency for International Development. Like other American officials I spoke with, their comments centered on the "hopeless" plight of Bangladesh and the need to keep the country afloat. (They also insisted that their names not be used. The Reagan Administration has evidently cautioned Foreign Service officers abroad to treat the American press with the same wariness with which they might approach a K.G.B. official.)

Over lunch in the windowless, nearly empty dining room of the Purbani Hotel, just across the street from the charmless office building that houses the United States Embassy, the two diplomats recited the dismal economic realities facing the country. Bangladesh was bankrupt. The country could not afford the fertilizer imports essential for the next crop and, even worse, was on the verge of running out of cooking oil, necessary if the population is to eat. Only desperate injections of expensive commercial bank loans and World Bank and International Monetary Fund credits were keeping the country from the brink.

"This place is so poor that there are only 17 taxis in Dacca," one of the A.I.D. men mourned. Dacca, a city of roughly two million, is one of the few places left on earth where rickshaws, pulled by men, are still the prevailing mode of transport. "There are no rocks. Cement is cheap everywhere else, right? Here they first have to bake bricks and then break them up for concrete and cement."

"There is no wood," one of the officials continued. "They rake leaves for fuel, which means fires can't be hot enough to cook anything properly. This is a major city with no garbage-disposal system."

Amid this squalor, the American aid mission's first priority is population control. The United States Government is spending more than \$20 million dollars a year on family planning. The approach has been less than stunningly successful, considering that the birth rate per 1,000 population is still 46 a year (by way of comparison, India's is 36 a year, Mexico's is 33), down only

slightly from the birth rates of the 1960's. This pace will result in a doubling of the population by the end of the century, in what is already one of the most densely crowded countries in the world.

The United States has made agriculture its second priority in Bangladesh, and efforts in this area, along with those of the World Bank and other major donors, have been more rewarding.

Since 1947, despite political and climatic upheavals, Bangladesh has chalked up average annual increases in food production of 2.1 percent (compared with 1.8 percent annual increases in Japan and the United States). After two good crop years, the country in 1981 had a record amount of grain in storage. The stocks have been depleted rapidly since then, however, and the A.I.D. men were not optimistic that much in the way of permanent improvement had been accomplished.

"Even assuming enough food is produced, how do you generate employment so people can buy the food that is being produced?" one asked.

"People don't know how to eat, either. They won't even grow or eat vegetables—it's not in the culture," the other man added, echoing the belief of many nutritionists that poor dietary habits are responsible for much of the undernourishment that affects the majority of the population.

My first conversations with representatives of private organizations were with Martin Hanratty of the Ford Foundation and Rudolph von Bernuth, head of CARE's office in Dacca. At Ford's headquarters, a rambling bungalow in one of the capital's best neighborhoods, Mr. Hanratty began by outlining some of the basic economic and social facts of Bangladesh.

"The British maintained a land-ownership system that didn't require that large landholders live outside of Dacca. The zamindars simply collected taxes and crops from their tenants, and supported the police. That was the government, and the basic structure hasn't changed much since independence. The administrative structure was to move things out of the rural areas, not to infuse large government inputs into the countryside. So when outside donors come in with money intended 'for the poor,' there are a lot of problems with carrying that out."

Mr. von Bernuth expanded on the theme. "Absentee landowners dominate Parliament. In the countryside, the wealthiest 17 percent of the population controls two-thirds of the land and almost 60 percent of the rural population is effectively landless. The system is exploitative, and the inequality is accepted."

"In the United States, we look at wealth as expanding," he continued. "You go out and get it, not necessarily take it from somebody else. Here people are very aware that there are 1,600 people per square mile. The land and its product appear to be extremely finite, and it's dog-eat-dog on all levels."

When the phone rang, Mr. von Bernuth picked up and began talking about an interview he had just given to another reporter. "He was trying to get into the 'food for work' stuff, but didn't ask any really penetrating questions," he assured whoever it was on the other end of the phone. "I kept him happy with some overall numbers; I don't think he got anything."

When the tall, mustachioed relief worker came back and sat down, I decided to pick up where the hapless reporter had left off. When I began to ask Mr. von Bernuth about

"food for work," a program that provides landless peasants with rations of grain in exchange for labor on construction projects, he insisted that our discussion be off the record.

Since independence, Bangladesh has received almost \$11 billion in foreign aid, and despite recession and budget-cutting in most industrialized countries, the flow is continuing unabated. New aid commitments for fiscal 1982 will amount to approximately the same or slightly more than in 1981, between \$1.6 billion and \$2 billion. Actual disbursements are lower, however, and are leveling off.

This is partly because, as one World Bank economist delicately put it, "there are problems in getting the Government active again, and involved in organizing and approving projects, after the assassination of President Ziaur Rahman in May 1981."

Moreover, the donors are more and more interested in extending so-called project aid—credits or loans for development projects which can mean sales for their own manufacturers and contractors—than in giving Bangladesh the actual commodities, such as fertilizer, petroleum and raw cotton, which it needs even more. Indeed, World Bank economists say, unless the country gets more commodity aid, which generates Government revenues from its sale within the country, Dacca will not have the funds necessary to finance the local costs of the foreign-sponsored projects.

"The aid has been too easy and not the right kind," said Hugh Brammer, an adviser from the United Nations' Food and Agriculture Organization, based in Rome, to the Ministry of Agriculture. Mr. Brammer, a resident of Bangladesh for more than two decades, is considered a leading authority on the country's food situation. On a long trip to the eastern province of Comilla to visit some model food-production areas, as we drove through the lush green countryside and waited for ferries across the vast rivers that flood the rich land every year, Mr. Brammer began to explain what the massive foreign presence means in Bangladesh.

"Most of the assistance is for specific projects, and the donors are competing with each other for things to do. A few years ago, the World Bank even had to hold up a significant portion of its disbursements because of a shortage of takas [the Bangladesh currency] to finance the local costs of its projects. And since then even more donors have come in and the problem is, if anything, worse."

"It has, in a sense, corrupted the Government," Mr. Brammer said of the aid. "It has allowed them to put off difficult decisions." While we talked for example, a large Bangladeshi delegation was in Cancun, Mexico, lobbying for more aid. Calls to various ministries for interviews frequently were met with replies that "the minister is overseas."

"Instead of governing," one disgusted A.I.D. official confided to me later, "these guys are running all over the world asking for help."

Among other things, the generous flow of foreign aid appears to have enabled the Bangladeshi Government to avoid taxing its own citizens, a minority of whom live exceedingly well by Western standards. "Five thousand people run this country," an admittedly cynical A.I.D. officer said toward the end of my visit. "These are the ones with two houses—one rented to an embassy or an aid agency—another house abroad, investments in Kuwait, factories in Ireland."



On the last day of my stay in Dacca, I happened to visit such a family. The husband, a prominent young politician, was out of town, but the wife sent a Mercedes and driver to pick me up, for she was eager for a visit from someone from New York, where she had lived before her marriage. At her lovely tropical villa set on at least an acre of green lawn, over tea and delicious Bengali sweets, she complained about the usual depiction of Bangladesh as an impoverished outpost and chatted about her four months last year in Heidelberg and her upcoming trip to Boston.

According to the representative of an international financial institution, who asked not to be identified, such families pay virtually no taxes. As he put it, "There is a lack of revenues relative to the country's income. Tax receipts amount to only 8 percent of Bangladesh's G.N.P., possibly the lowest percentage in the world. (Taxes in neighboring India, by way of contrast, are roughly 18 percent of the G.N.P.)"

The United States has invested nearly \$1.8 billion in aid to Bangladesh over the past decade, much of it in the form of food. Bangladesh is the world's biggest beneficiary of food aid, and the United States Government alone has shipped some 5.5 million metric tons of grain and cooking oil to the country since 1971.

Contrary to what most American taxpayers might think, however, this flood of food is not going to the poor and the hungry. It is given to the Government, which then sells it at subsidized prices to the military, the police and the urban middle class, the groups that potentially pose a political threat to the Government. Officials with international relief agencies have recently estimated that only about 25 percent or 30 percent of the total food aid distributed in Bangladesh ever reaches people who are hungry.

Donald F. McHenry, the former American representative to the United Nations, wrote in 1977 that Bangladesh's "food-aid imports represent a form of international income distribution favoring the middle class in a poor country."

Even when the food is destined for the needy, corrupt officials easily find ways to siphon off the lion's share. Both the United Nations, through the World Food Program, and the United States, through CARE, operate "food for work" programs, yet a recent study found that during a six-month period in 10 villages only 25 percent of the wheat distributed went to workers. The remainder was appropriated by Government officials and local union council members.

Another report, to the United States Agency for International Development, estimated that "less than 70 percent of the wheat withdrawn for 'food for work' finds its way to the laborers." This report concluded that the "food for work" program strengthens an "exploitative semifeudal system" within the villages of Bangladesh.

Corruption has been so embedded in the entire process of distributing food aid, in fact, that the Ministry of Education recently rejected a World Food Program offer to introduce a free food program into the schools. Only about 30 percent of children attend primary school, and it was thought that the lure of free meals might encourage better attendance. Nevertheless, the ministry has resisted the proposal. According to one of the country's leading nutritionists, Dr. Kamaludin Ahmed of the University of Dacca, "I really think the reason they don't want it is that they're afraid of the bad

name they might get from the corruption that would come with such a program."

CARE, whose young American employees try to enforce the "food for work" rules in the field, and the United States Government have recently devised new rules for distributing "food for work." By simply refusing to pay for work that the Americans believe is not being carried out, they have already saved 20 percent of the cost of the program this year. The agency was spurred in its efforts last year when one of its young women was threatened with death after she warned a corrupt local official to keep his hands out of the grain bin.

One of the angriest people in Bangladesh is the Rev. R. W. Timm, a Roman Catholic priest who has been in the country off and on for more than 20 years with Caritas (known as Catholic Relief Services in the United States.)

A tall, ruggedly handsome man in his 50's, Father Timm is a strange but familiar figure in Dacca as he whizzes around town on his motorcycle. During an interview at his desk in a huge, dimly lit room in the Caritas headquarters, the priest's voice rose in outrage.

"President Zia," he said, "reduced corruption among ministers, but now it's worse than it has ever been, at every level. One of our Caritas field officers applied to administer some of the 'food for work,' about 200,000 takas' worth (about \$11,000 at the time), and he was told, 'O.K.—I get 25,000 and you get 25,000.'"

"About two years ago, a road was built in one of our districts, and the local union council chairman subsequently got wheat from the Government to pay for building the same road, after it was already finished."

After calling a rickshaw for me and bargaining the skinny man between the shafts down from 50 cents to a quarter, Father Timm strapped on a helmet and climbed aboard his motorcycle. Summing up what goes on in Bangladesh, he boomed, "It is stealing directly from the poor, which is a major crime against humanity."

Given the corrupt climate that has prevailed in Bangladesh, the private voluntary organizations (known in the trade as the P.V.O.'s) and the donor governments inevitably end up trying to police the distribution of that aid and to cajole Bangladesh into accepting their priorities. Because aid constitutes such a huge proportion of the available resources, its dispensers exert a powerful, often overwhelming, influence on local policies.

The World Bank, which gave Bangladesh almost \$400 million in low-interest loans last year, mostly for agriculture, has used that leverage to move toward a more free market system of agriculture. The bank, for example, asked the virtually bankrupt Government last year to reduce its subsidies on fertilizer (which would have had the effect of increasing prices) at the precise moment when farmers were deciding what to plant. The threat behind the request was a cutoff in funds for fertilizer imports (a threat, by the way, that bank officials say they never intended to carry out). Similarly, the United States held down food shipments to Bangladesh in 1979 until the Government had raised the procurement price of rice, in order to provide farmers with a greater incentive to produce.

Despite occasional successes, the donors are generally frustrated in their efforts to steer Government policies in what they believe are more constructive directions. Sit-

ting around over drinks with United States officials in Dacca evokes eerie memories of similar evenings in Saigon. One night at the Sonargaon, an A.I.D. man leaned over the table and confided: "I realize we have a long way to go, but there is light at the end of the tunnel."

Interestingly, the United States Government's motives for investing so much in aid to Bangladesh closely resemble its early intentions in Vietnam. An unclassified United States Embassy document dated last October stated that "U.S. economic assistance to Bangladesh is our principal means for supporting the interrelated objectives of stability and orderly economic growth. A stable Bangladesh in turn contributes to the important U.S. goal of regional stability in South and Southwest Asia."

Specifically, American policy makers have argued that massive aid to Bangladesh had prevented the country from becoming overly close to India, which enjoys close relations with the Soviet Union and whose entry into the struggle for independence from Pakistan guaranteed the victory of the insurgents in what was then East Bengal. Beyond that, the aid staves off what many officials fear could be a major political upheaval if economical conditions were to worsen drastically.

The trouble is that the governments that have succeeded each other in Bangladesh—governments which have been largely sustained by foreign aid—have not appeared to be particularly interested in using the assistance to promote a more equitable distribution of wealth. Official priorities are more evident in the MIG's that flame over the Sonargaon hotel in the mornings, and the tall, well-fed soldiers jogging along the early morning roads past tiny, stooped peasants in the fields.

What would happen if we simply cut off all aid to Bangladesh? The majority of foreign officials there believe that the result would be an increase in human suffering, at least in the short run. "If we left, a lot of people would die," one American official claimed. "And if we left, the problem would come after us. If other donors, like the Japanese or the Arabs, didn't come in, another emergency might come along and we'd have to come back with a much more massive relief effort."

"Were Bangladesh to falter now," the Embassy's presentation to Congress for fiscal 1983 states, "economic dislocation could require us to revert to essentially an expensive relief program along the lines of 1971-75. Thus our current efforts, intended to maintain the momentum of development, in a real sense protects [sic] our investment over the past decade of nearly \$1.8 billion."

Other observers in Dacca talk about more constructive kinds of aid that could be given. The extensive investment by the World Bank and A.I.D. in irrigation wells, for instance, has brought water and a third harvest a year to many parts of the country and clearly played a critical part in the recent part in the recent surge in food production. Some of the small P.V.O.'s are engaged in practical projects that are having a direct effect on poor farmers. Among other things, the Mennonites are conducting research on optimal management of the new three-crop-per-year system.

Above all, a number of experts stress, what Bangladesh desperately needs now is commodity aid, including, especially, fertilizers, which at the moment the country can scarcely afford to import. During our drive to Comilla, Mr. Brammer and I figured out

what that kind of aid could mean, in terms of feeding people.

If one spent the \$820,000 that Nancy Reagan has spent refurbishing the White House on food aid in the form of rice, we calculated that it would feed more than 21,000 people for a year. If one spent the same amount of money on fertilizer, it would result in the production of enough additional rice to feed more than 81,000 people for a year.

As my plane lifted out of Dacca's modern new airport, built with French aid, I sighed with relief, and noticed that the person seated beside me did the same. We shared some of our impressions and agreed, as fellow guests of the Sonargaon, that the service had been superb, although almost too superb, too touched with servility and an overanxiousness to please.

He was a Swedish lawyer who had been in Dacca to help negotiate terms for a new hydroelectric project that was being built with World Bank funds. "What a funny country," he mused. "Do you know that our lawyer in Dacca, who argued for our terms against those of his own Government, is one of the two leading candidates for President?"

Two weeks later, I noticed in the paper that the other man had won. His victory lasted only four months, however. At that point he was ousted amid charges of corruption. And the country's new President, A. F. M. Ahsanuddin Choudhury, in one of his first public speeches, declared that Bangladesh must begin to be responsible for its own development. "Bangladesh need not have been poor," he said. "It is not because we are poor in resources. It is only because we could not manage our affairs honestly and efficiently." ●

#### MILITARY ASSISTANCE TO CIVILIAN DRUG LAW ENFORCEMENT AGENCIES

**HON. BENJAMIN A. GILMAN**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. GILMAN. Mr. Speaker, in his capacity as chairman of the Government Operations' Subcommittee on Government Information and Individual Rights and as chairman of the Narcotics Select Committee's task force on drug abuse in the military, of which I am a member, the distinguished gentleman from Oklahoma (Mr. ENGLISH) has sought to intensify our Nation's capability to wage "war" on drug trafficking and drug abuse both in the United States and abroad. Under his leadership, the Government Operations Subcommittee recently held hearings on military assistance to civilian narcotics law enforcement agencies, and I commend the chairman and his subcommittee for its efforts in focusing on this vitally important subject.

Through Public Law 97-86, permitting civilian law enforcement agencies to use military equipment and facilities, to receive information collected during military operations and to be trained by military personnel, our

Armed Forces are working with the south Florida crime task force headed by Vice President BUSH to help interdict drug traffickers. I understand that high speed Cobra helicopters are on loan to the U.S. Customs Service whose pilots are being trained in the use of this aircraft; that Huey helicopters are available to the Drug Enforcement Administration (DEA) to support their drug interdiction efforts; that the Navy is providing E-2C AWAC's aerial surveillance support to the Coast Guard and high-frequency radio equipment to support DEA operations; that Coast guard personnel are stationed on Navy ships to permit the Coast Guard to board suspected drug trafficking vessels sighted by the Navy; and that the Air Force's radar balloon Skyhook is providing vital information to our law enforcement agencies. The use of high speed assault helicopters, radar-equipped aircraft to detect low-flying drug trafficking intrusions, and other communications equipment are a step in the right direction to enhance this Nation's defense against drug traffickers, whose highly sophisticated and well-financed operations use the best aircraft and vessels to elude detection.

I have previously commended the south Florida drug task force headed by Vice President BUSH for its efforts to plug a major hole through which so much drug trafficking is flowing onto our shores and have urged this administration to establish similar task forces throughout the country \* \* \* task forces that are ongoing and properly equipped, staffed, and funded. I have also urged this administration to elevate drug trafficking and drug abuse to a top priority on its domestic and international agendas.<sup>1</sup>

Our military services are to be commended for their efforts to help train and equip our law enforcement agencies and to work cooperatively with them in a joint effort to interdict the drug traffickers.

Although military equipment is on loan to our law enforcement agencies, I hope that as we reconsider our budget priorities that my colleagues would consider providing increased funds to the Coast Guard, to our Customs Service, and to the DEA to permit them to purchase the desperately needed aircraft, ships, radar, and other communications equipment that is so urgently needed to match the latest technology available to the drug traffickers. Our Nation cannot afford a "borrow-from-Peter-to-pay-Paul" drug strategy that shifts scarce equipment and personnel from one region to another exposing one region to an onslaught of drugs while bolstering the defenses of another area, or that

authorizes resources earmarked for the military to be loaned to our law enforcement agencies, thereby unreasonably straining the military capabilities of our Armed Services.

Mr. Speaker, if we truly mean what we say about waging "war" on drug abuse, then we must provide our drug law enforcement agencies with sufficient equipment, personnel, and funds for them to perform their dangerous tasks. ●

**SALUTE TO COL. BERNARD G. EHRLICH, COMMANDER OF THE 7TH REGIMENT ARMORY, A MAN OF COMMITMENT AND SERVICE FOR OUR COUNTRY**

**HON. MARIO BIAGGI**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. BIAGGI. Mr. Speaker, on June 12, I will have the distinct personal honor to join with the Board of Officers of the 7th Regiment Armory as they conduct a testimonial dinner for Col. Bernard G. Ehrlich. It will be an evening honoring an extraordinary man whose career in the military spans almost three decades and is replete with accomplishments.

The dinner will pay special tribute to Colonel Ehrlich's herculean efforts which have kept the magnificent 7th Regiment Armory located on Park Avenue in New York City, from being destroyed and replaced by an apartment complex. Colonel Ehrlich, as the commander of the 7th Regiment Armory, Army National Guard, spearheaded an effort which involved fellow members of the military and concerned members of the community united in opposition to any alteration of the 7th Regiment Armory. All indications point to a maintenance of the building in its present form and consequently as a small token of appreciation for the work of Colonel Ehrlich—this dinner is being held.

Colonel Ehrlich's work on behalf of saving the 7th Regiment Armory is but one small but typical example of what his life is all about. It is especially indicative of the selfless work he has performed almost routinely on behalf of his Nation over the past 25 years in the Army and then the National Guard.

Colonel Ehrlich's military career began without much flourish or fanfare. Following graduation from New York University Law School, he entered the Army as an enlisted man. Perhaps as a recognition of his great potential in the military—Ehrlich was assigned to Officer Candidate School at Fort Benning, Ga. Following a stint as a platoon leader he was assigned to military intelligence with the 9th Infantry Division where he served con-

<sup>1</sup> See my statement entitled, "Resources Urgently Needed for Drug Agencies," Congressional Record (May 20, 1982), pp. E 2361-62.



tinuously until the conclusion of his first tour of active duty.

Excepting one brief return to active duty, Colonel Ehrlich has served as a leader in the New York Army National Guard for more than 20 years. His career has been filled with many personal honors and accomplishments of direct benefit to the State and Nation. In his career, Ehrlich has served as commander of three different battalions—the most recent being the commander of the 7th Regiment Armory. Thus far in his career, Ehrlich has risen from the rank of major to lieutenant colonel to the full colonel position he enjoys today. Few expect this to be the final step in the military career ladder for Ehrlich—in fact a new promotion is expected in the very near future for the colonel.

In appearance and attitude—Bernard Ehrlich represents the epitome of a good military man. He is a man who loves his country with a passion—he is an unabashed patriot. He is a man of impeccable integrity and unyielding personal discipline. He is dedicated and committed to each cause he embraces. He has earned the respect both of those whom he worked for and who now serve under him in the National Guard. He was a soldier's soldier and now is an officer's officer. Perhaps the best measurement of the success which Colonel Ehrlich has enjoyed can be seen in the various prestigious honors he has accumulated. Among his many decorations and awards include the Army Meritorious Service Medal, the Army Commendation Medal, and the New York State Long and Faithful Service Medal. It is also noteworthy that my colleague Senator ALPHONSE D'AMATO named Ehrlich as his official military adviser.

In addition to his many time-consuming responsibilities in the National Guard, Colonel Ehrlich is a highly respected private attorney. I have firsthand knowledge of this, for we were at one time partners in the law firm of Biaggi and Ehrlich. Colonel Ehrlich brings to the practice of law the same high professional and personal attributes which have made him such a success in the military.

Bernard Ehrlich is a dedicated and loving husband and father as well. His lovely wife Marjorie, as well as his two beautiful daughters Geri and Robin, will be at their father's side on Saturday, June 12 as they have been as a family so many times in the past. They will share a special pride in the tribute that will be paid to Bernard Ehrlich.

My tribute to Colonel Ehrlich would be incomplete were I not to focus on Bernie Ehrlich—my dear and valued friend. Friendship like good wine is enhanced with age. A good friendship is never static—it always grows. I have known Bernie Ehrlich for some 20 years. In that time we have experi-

enced a great deal together. We have commiserated over our failures and basked in our triumphs. One such triumph will be the dinner on Saturday night where Bernie Ehrlich, the man, will receive a most fitting tribute.

Strength, fortitude, courage, and commitment to principle and call of duty, are all trademarks of Bernard Ehrlich, and these personal attributes have carried him to this plateau of success, and will lift him to greater heights in the years to come.

Gen. Douglas MacArthur was a hero to Bernard Ehrlich as he was to millions of other Americans who have worn the uniform of our Armed Forces. MacArthur once said, "It is fatal to enter any war without the will to win it." Colonel Ehrlich has applied that motto to all of the various endeavors of his life. He has the will to win and approaches each assignment, each task with that will to win. It clearly has paid off time and time again.

It is said there are three ways to do things—the right way, the wrong way, and the Army way. I can vouch for the fact that Bernard Ehrlich has done things the way which produces the best results and most success. Therefore it is fitting that he be honored in the fashion he will on June 12. I know that his best days are still before him and I look forward to sharing more happy moments with him.●

#### SMALL BUSINESS INVESTMENT ACT

**HON. BARBARA A. MIKULSKI**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Ms. MIKULSKI. Mr. Speaker, today the House passed H.R. 6086, a bill amending the Small Business Act and the Small Business Investment Act of 1958. While I am in general support of this legislation, there is a provision which was added in committee markup which I must oppose.

An amendment adopted by the Small Business Committee would impose a restriction on any Small Business Administration financial assistance to any applicant which performs abortions, which engages in research related to abortions, which promotes or recommends abortions, or which trains any individual to perform abortions. This amendment apparently was adopted because a few years ago there was one SBA loan to help fund the establishment of a clinic where some abortions were performed.

Even though this facility is no longer operating, the committee chose to impose a far-reaching requirement which could prevent loans to many types of facilities which are operating within the law. This additional re-

quirement would have nothing to do with elimination of any illegal activities, nor is it relevant to the likelihood of repayment or importance of the small business applicant's project. This requirement is simply a certain type of insidious intrusion into the lives of citizens which cannot be justified.

I urge my colleagues to support the passage of this bill, while encouraging those on the conference committee to drop this provision preventing financial assistance to legal small business projects.●

#### BUILD BRIDGES, NOT WALLS

**HON. JAMES J. HOWARD**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 8, 1982*

● Mr. HOWARD. Mr. Speaker, at this time, I would like to call the attention of my colleagues to an outstanding speech given to the 1982 graduating class of Boston University by our respected House majority leader, JIM WRIGHT.

In addressing the graduating class, Congressman WRIGHT spoke of the need for this generation and coming generations to build bridges to the future, bridges that will unite Americans, and not walls that will separate people from their natural destinies.

This speech was of such an inspirational quality, and it said so many things that need to be said today, that I felt compelled to share it with all of you today. On the occasion of this speech, by the way, JIM WRIGHT was given an honorary doctor of laws degree and, if I may add a personal note, I can think of no one who deserves such an honor more than JIM WRIGHT, who, in Congress, has done so much to shape the laws that have helped make this a better and fairer society in which all Americans can share and prosper.

#### BUILD BRIDGES, NOT WALLS

Today, as we celebrate the achievement of the graduates, I want us to consider two very familiar models of the building trades. I invite you to think with me about walls and bridges—and about those who build them.

Walls and bridges! Not simply the physical structures of wood and masonry and metal, but in their larger sense—things that divide and things that unite. Almost everything we do in our interpersonal relations and as a society builds either a wall or a bridge. Either we separate people from their natural destiny by means of a wall or we connect them to it by a bridge.

I hope you will be builders of bridges.

Those receiving degrees today—more than 4,000 of you here in this ceremony—have come to the end of a long series of bridges. The years in college bridge the gulf which separates adolescence from adulthood. You step out upon a new shore.

We celebrate today the sometimes sacrificial contributions or your families which have helped you bridge chasms along the way. We celebrate the dedication of teachers whose inspiration and patience have helped you hurdle walls that stood between you and your goal.

Our government depends upon a series of alliances and understandings which build bridges across the geographical and ideological dividing lines that otherwise would separate us.

One of the best known of these is called the Boston-Austin axis. The fact that I, a Texan, was elected to work as Majority Leader of the House under the direction of that quintessential Bostonian, Speaker "Tip" O'Neill, is only the latest in a long series of close personal alliances between this state and mine which have helped to heal differences and to bind our political institutions together.

The bond between John F. Kennedy and Lyndon Johnson, and that which existed for years between Sam Rayburn and John McCormack are well known. Less well known is the bridge of mutual trust between Democrat Sam Rayburn and Republican Joe Martin of Massachusetts during the years when they served alternately as Speaker or Minority Leader.

Sam Rayburn would never permit the utterance of an unkind word about Joe Martin in his presence. Each trusted the word of the other implicitly. This bridge of personal honor which spanned the political parties made the American government work better because of its existence.

#### WALL BUILDING

The builders of walls, on the other hand, make a cohesive society infinitely more difficult. Four years ago this month, Kevin Phillips wrote an article in *Harper's Magazine* entitled, "The Balkanization of America." He wrote of a growing spirit of parochialism which he said in the process of splintering our society, and disintegrating our fundamental national unity. Too many Americans, he concluded, have begun to think of themselves first as members of some particular economic or social or geographic group—and only secondly if at all, as Americans.

In the Congress itself, there has grown up in the past few years a Black Caucus, an Hispanic Caucus, a Steel Caucus, a Farm Caucus, a Northeast Caucus, a Sunbelt Caucus, a Tourism Caucus, a Coal Caucus, and a Blue Collar Caucus, just to name a few. As one whose job it is to try to synthesize a course of common action from such heterogeneity of interests, I can attest that the tendency to build walls of division—the us-against-them syndrome—is dissolving some of the glue which once held us together, and making the process of governing an infinitely more difficult and more challenging task.

The very words we speak and write are meant to be bridges of communication. Words and language and ideas are what distinguish man from beast. The curator of a big city zoo once told me that baby gorillas advance more rapidly than infant children for the first 18 months of their lives. After that, the gorilla's learning process almost stops, while that of the human child continues at an ever-faster pace.

The obvious difference is that humans alone have a verbal and written language by which each generation can communicate the store of knowledge to each succeeding generation. That's what we call education.

Other members of the animal kingdom learn only by imitation.

Language is the bridge to knowledge. Education is the bridge to human progress. Without records, without books, without the tradition of learning which mankind has evolved, we still would be brutish creatures. There would have been little evolution from Piltown Man.

Those who abuse language as an instrument of division—those who use it to divide people against people, class against class, race against race, religion against religion, or region against region, prostitute its purpose. They erect walls with those building blocks that were intended for bridges.

And that is why book burning—such as was practiced by the Nazis in Germany and others before them and since—is such a crime against humanity. Its ultimate goal is the walling off of some part of our collective memory of the past or of our awareness of the possibilities of the future.

Some governments and human institutions are essentially builders of walls. In the Third Century, B.C., the Chin Dynasty in China built the world's longest continuous wall to insulate the entire country from what the Chinese leaders considered the evils of foreign influence. Nobody could get in or out. Behind this wall, China languished for 1,800 years and fell hopelessly behind the rest of the world—because it had erected a barrier which mankind's new discoveries and increasing knowledge could not penetrate.

The invisible Iron Curtain that Russia drew across Europe 35 years ago was put into place by more sophisticated means. But it had the same general purpose. It was to seal off the people of the communist bloc countries from unapproved knowledge, unapproved ideas, outside influence.

There could be no more grotesque example than the Berlin Wall whose purpose was not to keep others out but to convert a whole society into a prison, to hold captive the citizens of an entire nation. The refusal of any country to permit the out-migration of citizens who want to leave is a confession of moral and social impoverishment and economic destitution.

#### AMERICA BUILDS BRIDGES

America through most of its history has been building bridges. Yes, we fall prey to wall building from time to time. In periods of economic recession, we are tempted to raise tariffs and quotas and other impediments to the flow of world trade. These are economic walls.

Those who would throw roadblocks in the way of free expression are builders of intellectual walls.

Pope John XXIII built bridges to a warmer fellowship between religious denominations. There are some in organized religion who would arrogate to themselves the attributes of deity and arbitrarily exclude others. They build religious walls. Some of them would endow their political prejudices with religious justification.

From the beginning there have been some not content to be created in God's image, but intent instead upon recreating God in their own image.

The builders of walls usually operate from fear. All of the legal and economic tricks which for years kept Negroes and other minorities from voting and getting an education and sharing fully in the opportunities and privileges of a free society were walls. They were built, for the most part, by people who honestly feared that—unless minorities were walled off and kept "in their

place"—there would be fewer privileges left for themselves.

They see freedom as a thing of short supply, to be hoarded—not as a blessing to be shared.

A decade ago we saw certain civil rights groups building their own walls in retaliation, burning the bridges of understanding that did exist, blaming white people in general with all of their troubles, and defending violence in the name of black power. In this way, one wall begets another. Communications break down, and riots break out.

But as Robert Frost wrote: "Something there is that doesn't love a wall, that wants it down."

Given occasional aberrations, the history of our country has been a long, sometimes sporadic but generally continuous process of building bridges.

We have been breaking through the ceilings, those horizontal walls which hold people down, and through the perpendicular walls that hold people in. We have become the most upwardly mobile, the least economically and socially stratified of the world's societies. From the beginning, this has been our most distinctive national characteristic.

We did not set out to create an aristocracy and install it as a ruling class. Nor did we destroy the aristocracy and supplant it with a dictatorship of the proletariat. Our goal has been to expand the privileged class until it shared its benefits with the humblest citizens of the land.

Ours was to be an aristocracy with a difference. Not a nobility to which some are born and others forever denied, but one to which all could aspire and which most could attain. Not a snobbish aristocracy of exclusiveness, but one which constantly seeks to enlarge its membership. One not of special privilege, but of universal privilege whose members qualify by self-preparation and by assuming the responsibilities which go with privilege.

#### THE AMERICAN DREAM

This is what came to be called "the American dream." It is the promise of a society in which the humblest child born of a most improvident circumstance may have as his or her birthright an education unlimited by lack of opportunity, an equal right to vote and participate in the political process, the right to useful work, and the very real chance to own property.

In starts and stops, in bursts of creative energy and pauses for regrouping, we have moved consistently toward those goals. They are not yet fully realized for all of America's children.

In the past two years we seem to have entered an era of retrenchment in which our historic progress has been temporarily stalled, and this disturbs me deeply.

Consider what progress we made in two short decades—from 1960 to 1980. In those 20 years, the number of college graduates annually receiving degrees increased by over 150 percent. The growth in graduate education was even more spectacular. By 1980, the nation was conferring approximately 400,000 masters degrees, compared to 78,000 in 1960—an increase of some 400 percent. For millions, these were the bridges of opportunity.

By 1980, we had reached the point where 79 percent of our non-white youth were completing high school. Not enough, but better by far than the 53 percent which were able to do so in 1960.



In the age group of those receiving baccalaureate degrees this year, one out of every four Americans will complete college. In 1960, the figure was not quite one in eight. Members of this class are among the fortunate 23 percent.

And yet—and yet, there is something deeply disquieting in the present scene. The number of high school and college graduates, as a percentage of our population, has remained at a plateau for the past three years and shows alarming signs of turning downward.

Economic conditions in general, and declining availability of student loans and financial assistance in particular, may forebode the accessibility of higher education to a declining percent of our young population. That, in my judgment, would be tragic!

It would be historically retrogressive, wasteful of our most precious resource, and morally indefensible.

#### EDUCATION, OUR BEST INVESTMENT

The very best investment our country ever made—with the possible exception of the Louisiana Purchase—was the G.I. Bill of Rights with its educational opportunities immediately following WWII.

Not only did it enlarge the intellectual horizon and enrich the social and economic fabric of our nation beyond anyone's capacity to measure. It actually returned a very handsome profit to the government itself—at least \$20 for every \$1 of public investment—in the form of higher taxes paid by reason of the enhanced earning capacities of the hundreds of thousands of Americans who availed themselves of those educational benefits.

Today we quibble and quarrel in petty puerility about whether the nation can afford student loans, Pell grants and work-study opportunities. Like Nebuchadnezzar, we seem to have forgotten the dream.

There is something fundamentally de-ranked in the standard of values of our nation when we reduce bilingual education, vocational education and job training by 28 percent in one year while calling for approximately the same amount of money to build more prisons.

A part of the American dream has been the promise of home ownership. In 40 years, we increased the reality from 30 percent of American families to 70 percent. It is a sorry commentary today that only 3 percent of the newly-formed family units can qualify to buy a house because of the suffocating level to which interest rates have been permitted to rise.

That, in a society which would build bridges instead of walls, is intolerable.

Machines and weapons of the most infinite sophistication cannot assure national security nor restore productivity to a nation which ever forgets that the ultimate guarantor of defense and the ultimate machine of enhanced production, that which has ever been the hallmark of American military and industrial superiority is the cultivated mind and motivated spirit of the trained and educated American. Without the bridges of educational and economic opportunity, ever widening to accommodate ever more people, we cannot be first in industrial production nor preeminent in national defense.

#### BE BUILDERS OF BRIDGES

On this day of your graduation, I ask you to make a commitment—that you will revive the American dream, tear down the walls of alienation that still exist between our people, and complete the bridges that we have begun.

When this has been done, there still will be work to do, and bridges yet to build.

If democracy is to triumph in the underdeveloped world, bridges of literacy and learning must be extended to the humblest families. They must be given a chance to make a decent wage—a chance to borrow, to get a start, at a rate of interest they can pay—a chance to own a modest home or a small farm of their own. In emerging nations, free societies will thrive only if they build bridges across the impenetrable walls that too often have separated class from class.

Someday, someday, the vision of humanity must be employed to tear down the walls of fear and hostility and create in their place bridges of understanding between the people of the United States and the people of the Soviet Union.

This is no doubt the most difficult work of all. But it could be the most rewarding.

In this year alone, our two nations will spend half a trillion dollars upon armaments. Just think of the legitimate needs this amount of money could meet. Think of the untold good it could perform if it could be spent instead upon foodstuffs and medicine, upon research and disease eradication, upon libraries and books and schools and hospitals—on bridges rather than walls—on people rather than implements of destruction.

These bridges of understanding between people of different nations will not be finished this year, or this decade, or perhaps in your lifetimes. But if the mind and purpose of man can unite to construct the bridges to a peaceful world, they will serve as no other thing can to bless the generations yet unborn.●

#### IMPACT OF FEDERAL EDUCATION CUTS ON PRIVATE COLLEGES AND UNIVERSITIES

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1982

● Mr. NEAL. Mr. Speaker, much has been said about the effect cutbacks in aid to education will have on the college students of the Nation. The debate has focused largely upon the public institutions of higher learning. Often, if not entirely overlooked, is the effect the policies of this administration are having on private colleges and universities.

I think it is important to realize that when private institutions are in duress, more strain is placed on public institutions. If some private colleges are forced to close—as some almost certainly will have to do—many lower and middle income families will have to limit their educational choices to lower priced public institutions.

These and other facts are presented impressively in an article by Dr. Richard L. Morrill, president of Salem College in Winston-Salem, N.C. The article appeared in the March 1982, edition of "Salem," the college's alumni publication. I would like to enter it into the RECORD at this point.

The article follows:

#### FEDERAL BUDGET CUTS AND SALEM

I am writing in response to the deep budget cuts that have been proposed in federal student loans and grants for fiscal 1983. It is my unhappy responsibility to report that after this year's 12 percent reductions in these programs any further cuts will have damaging consequences for higher education in general and private colleges like Salem in particular. In my personal view these proposals are painfully shortsighted. They abruptly reverse long-standing commitments, contradict many of the current administration's own fundamental principles, and could easily lead to increased tax burdens at the state level. I would like to ask you to assess the proposed cutbacks and then to consider communicating your views directly to your Congressmen and other officials.

Aid from the federal government to students has been one aspect of the financing of higher education ever since the GI Bill. During the 1950s, 60s, and 70s a series of programs have evolved which assist middle and lower income college students with grants, loans, and work-study opportunities. (See Profile of Programs) The rationale for these efforts is clear and compelling. They have intended to provide students both access and choice regarding college education. The commitment to access has been established for nearly a quarter of a century. It involves the belief that the opportunity for higher education should not be limited by an individual's financial circumstances, but only by his or her interests and abilities. The value of choice involves providing the means for students and their families to choose among the significant array of diverse opportunity within American higher education. We are the envy of the world in being able to offer students the choice between public and private colleges, vocational and liberal arts programs, religious and secular colleges, in-state or out-state education, single-sex and co-educational institutions, small and large colleges, and so forth.

If the drastic cuts proposed by the administration were to be implemented, there is no question that thousands upon thousands of students would simply be eliminated from the roster of higher education. This loss of personal opportunity is paralleled by society's demands of the future. If there is to be a sustained economic recovery in America, then surely we must invest in the human resources to provide the knowledge and the creativity to support economic growth.

The decrease in personal educational opportunity will affect financial aid students whether they attend public or private colleges. From the special vantage point of an independent college, I would like to share some of the particular dilemmas that will be created for Salem and virtually every other private institution. During the past several decades both private and public institutions have responded magnificently to the national challenge of enlarging educational opportunity. The educational and human benefits arising from this distinctively American commitment are obvious. It has been made possible through a skillful combination of federal, state, and private sources of support. The federal government is covering one important dimension of a complex and interactive system of financial assistance. But beyond the threatened decline of economic diversity in the student body of independent institutions, there is something yet more ominous—the eventual permanent closing of many private colleges and univer-

sities. There is little question that many lower and middle income families, lacking support in loans and grants from federal sources, will have to limit their educational choices to lower-priced public institutions. Often missing in the discussions of the proposed budget cuts is the recognition of the significant role that federal and other aid has played in helping to narrow the vast tuition gap that has grown between tuition charges at public and private institutions.

There are only a handful of nationally-known and well-endowed private institutions in the country that are in a position to adopt the unattractive, but eventually necessary, policy of sharply restricting the enrollment of financial aid students as government funds dry up. The great majority of private institutions are dependent upon the attendance of a significant number of qualified financial aid students to maintain basic enrollment and fiscal stability. Most private institutions in America now have from twenty-five to ninety-five percent of their student bodies receiving some form of financial aid. In many ways, then, the existence of a strong private sector within American higher education depends upon public policies that will give middle and lower income students a choice about the type of colleges they will attend.

A sad irony in the current proposals is that some of the very things that the current administration has worked to foster, such as an active private sector not controlled by government rule and regulation, are now being threatened as regards higher education. Initially there was discussion by the administration of ways in which tuition tax credits or other devices might give families the ability to send their children to private institutions. Now, however, such talk has ended, and *nothing* is being proposed to take the place of student loans and grants. Without the ability to draw upon qualified middle income students, and with the decline in the number of high school graduates just ahead, small, private, religiously-affiliated colleges will be facing severe pressures for survival during the next decade.

You will be interested to learn what some of these policies will mean at Salem. Salem students have not been nearly as dependent upon federal sources of loans and grants as students at most private colleges. Nevertheless, we can already see what this will mean for Salem over the long-term. For example during the 1981-82 fiscal year Salem College's total tuition income of \$2 million (this excludes room and board charges and other fees) has included approximately \$950,000 in revenue from all financial aid sources. These figures include approximately \$230,000 of the College's own funds in gifts, grants and endowment income, about \$130,000 from various North Carolina assistance programs that go directly to students, plus about \$580,000 that has come to students and their families from Federal sources. The largest sum in the Federal total is from the Guaranteed Student Loan program which Salem families have drawn upon this year at the level of approximately \$450,000. We know that in future years the Guaranteed Student Loan total will be less than half of the current amount because the program has already been thoroughly reorganized and reduced in scope. Income limits, origination fees, increased interest charges and other changes were made in 1981. The administration's most recent proposals concerning the GSL would eliminate

support for graduate students completely, and would make loans much more costly, less available and useful to undergraduate students and their families. We simply do not know what sources parents will find to make up for the loss of borrowing power that has resulted from changes in the program. We know even less, but have genuine fears, about what will happen if the program is reduced any further.

Through The Salem Challenge Campaign and increases in our endowment, and other budgetary adjustments, Salem will be able to continue to support its students on financial aid next year, including increases related to adjustments in tuition and fees. Salem students and their parents do not need to worry about reductions in the programs that Salem controls on its own. We also will by necessity be increasing our own financial aid budget significantly to make up for slated reductions in the federal programs that have already occurred. The net effect of some of these adjustments is, of course, simply to accelerate next year's overall tuition increase, a strategy that for the long-term is simply self-defeating. We begin to create a vicious cycle whereby increases in the financial aid budget due to losses of federal support push tuition all that much higher, excluding more middle income and lower income families, which may reduce enrollment and force tuition even higher—and so on.

Another painful irony within the current proposals is that as more middle income students are squeezed out of private colleges, the net effect over a period of years is to raise the cost of tax-funded education at the state level. Approximately 50,000 students are now being educated in North Carolina's private colleges and universities. Were this sector not to exist many of those students would be enrolled in public education at a staggering increased cost in millions upon millions of dollars to the taxpayer. The failure to adopt public policies to maintain private institutions is sheer fiscal folly, as well as being extremely unwise in social and educational terms. Diversity unarguably leads to greater educational quality and choice throughout the total system.

I have to conclude that without other alternatives being proposed, it is unwise, inefficient, and contradictory to seek to gain some temporary budgetary benefits from drastic reductions within student loan and grant programs. If one were to be philosophically committed to the necessity for these dramatic cutbacks, and also to be concerned about the future of private education, then at the very least the prudent course would be to pursue the reductions over a significant number of years. If private colleges and universities had a decade in which to replace federal funds with private and state funds, and if alternative forms of direct or indirect assistance were made available, then the transition could proceed in an orderly fashion. In North Carolina we are initiating efforts to establish private sources for loans and we are seeking to increase giving for financial aid purposes, but all of these efforts take time. Federal loans and grants have become part of the fabric of the ways in which higher education is financed in this country, and one cannot alter the pattern overnight. To do so is to destroy the fabric itself and to do harm to countless individual lives and to society's own resources for economic and social renewal.

If the considerations that have been addressed in this statement concern you about the future of higher education and of Salem, I would ask that you take an active role in communicating your thoughts—by phone, letter, or in person—to your elected representatives. If you support the policies of the federal administration, and also believe deeply in the benefits of private colleges like this one, then I would respectfully request that you communicate in that spirit. At a minimum, private colleges need to have the time to make the adjustment to new methods for financing education. When compared with many of the vast programs within the federal budget, and some of the special interest tax reductions passed last year, higher education programs seem rather small. We are talking about funds that now are highly leveraged since they serve the purpose of supporting individuals while they simultaneously contribute to institutional viability. It would be foolhardy and callous to allow the precious heritage of independent colleges like Salem to become substantially weakened in the future after they have served society so well for so long. This is an issue on which your voice needs to be heard.

RICHARD L. MORRILL,  
President.

#### PROFILE OF FEDERAL STUDENT LOAN AND GRANT PROGRAMS

(Federal loan and grant programs were cut 12 percent in the continuing resolution passed by Congress in December 1981 for the 1982 fiscal year budget)

Program	Administrator's proposed reductions for 1983
Pell grants (formerly BEOG Grants)—direct grants to students based on financial need. 2.6 million recipients. Maximum award \$1,800 in 1982.	40-percent cut, eliminating 1 million recipients.
Supplemental education opportunity grants (SEOG)—grants to students, awarded and administered by the campus.	Elimination of the program.
College work-study (CW-S)—campus and other part-time jobs financed 80 percent by Federal support.	30-percent cut, eliminating 250,000 recipients.
National direct student loans (NDSL)—low interest loans to needy students using revolving pool of funds and annual capital additions.	Elimination of new capital contributions.
State students incentive grants (SSIG)—a Federal-State matching program for very low income students.	Elimination.
Guaranteed student loans (GSL)—Loans to students with family income under \$30,000 (higher income eligibility when college costs are higher). Interest 9 percent, loan repayment begins after graduation.	Increase current origination fee from 5 percent to 10 percent. Eliminate all graduate and professional school students. Pay market interest rates 2 years after repayment starts.

#### FEDERAL STUDENT AID 1981-83 EXPENDITURES AND PROJECTIONS

(Fiscal years)

	1981	1982 continuing resolution	1982 rescissions/supplementals	1983 Reagan budget
Pell grants	\$2,346	\$2,279	\$ -91.4	\$1,400
SEOG	370	278		0
CW-S	550	528	44.0	398
NDSL	186	179		0
SSIG	77	74	6.0	0
Total	3,529	3,338	141.4	1,798
GSL	2,535	1,774	978.0	2,485

\* Billions.  
\* Millions.